

1 SPECIAL DISTRICT LOCAL LAWS CODE  
2 TITLE 1. GENERAL PROVISIONS  
3 CHAPTER 1. GENERAL PROVISIONS  
4 [Chapters 2-20 reserved for expansion]  
5 TITLE 2. ENVIRONMENT AND SANITATION  
6 SUBTITLE A. SOLID WASTE MANAGEMENT  
7 [Chapters 21-1000 reserved for expansion]  
8 TITLE 3. HEALTH  
9 SUBTITLE A. HOSPITAL DISTRICTS  
10 [Chapter 1001 reserved for expansion]  
11 CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF BRAZORIA  
12 COUNTY, TEXAS  
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16 SUBTITLE A. AGRICULTURE  
17 CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT  
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21 CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY  
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22                                   SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS

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3 CHAPTER 1. GENERAL PROVISIONS

4 Revised Law

5 Sec. 1.001. PURPOSE OF CODE. (a) This code is enacted as  
6 a part of the state's continuing statutory revision program, begun  
7 by the Texas Legislative Council in 1963 as directed by the  
8 legislature in the law codified as Section 323.007, Government  
9 Code. The program contemplates a topic-by-topic revision of the  
10 state's general and permanent statute law without substantive  
11 change.

12 (b) Consistent with the objectives of the statutory  
13 revision program, the purpose of this code is to make the law  
14 encompassed by this code more accessible and understandable by:

15 (1) rearranging the statutes into a more logical  
16 order;

17 (2) employing a format and numbering system designed  
18 to facilitate citation of the law and to accommodate future  
19 expansion of the law;

20 (3) eliminating repealed, duplicative,  
21 unconstitutional, expired, executed, and other ineffective  
22 provisions; and

23 (4) restating the law in modern American English to  
24 the greatest extent possible. (New.)

25 Sec. 1.002. CONSTRUCTION OF CODE. Chapter 311, Government  
26 Code (Code Construction Act), applies to the construction of each  
27 provision in this code except as otherwise expressly provided by  
28 this code. (New.)

29 Sec. 1.003. REFERENCE IN LAW TO STATUTE REVISED BY CODE. A  
30 reference in a law to a statute or a part of a statute revised by  
31 this code is considered to be a reference to the part of this code  
32 that revises that statute or part of that statute. (New.)

33 [Chapters 2-20 reserved for expansion]

1 TITLE 2. ENVIRONMENT AND SANITATION

2 SUBTITLE A. SOLID WASTE MANAGEMENT

3 [Chapters 21-1000 reserved for expansion]

4 TITLE 3. HEALTH

5 SUBTITLE A. HOSPITAL DISTRICTS

6 [Chapter 1001 reserved for expansion]

7 CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT

8 OF BRAZORIA COUNTY, TEXAS

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9 CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF BRAZORIA  
10 COUNTY, TEXAS

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Revised Law

13 Sec. 1002.001. DEFINITIONS. In this chapter:

- 14 (1) "Board" means the board of directors of the  
15 district.  
16 (2) "District" means the Angleton-Danbury Hospital  
17 District of Brazoria County, Texas.  
18 (3) "Director" means a member of the board. (New.)

19 Revisor's Note

20 The definitions of "board," "district," and  
21 "director" are added to the revised law for drafting  
22 convenience and to eliminate frequent, unnecessary  
23 repetition of the substance of the definitions.

24 Revised Law

25 Sec. 1002.002. AUTHORITY FOR CREATION. The  
26 Angleton-Danbury Hospital District of Brazoria County, Texas, is  
27 created under the authority of Section 9, Article IX, Texas  
28 Constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part).)

29 Source Law

30 Sec. 1. Pursuant to authority granted by the  
31 provisions of Section 9 of Article IX of the  
32 Constitution of the State of Texas, Angleton-Danbury  
33 Hospital District of Brazoria County, Texas, is hereby  
34 authorized to be created in Brazoria County, Texas,  
35 and . . . .

1 Revised Law

2 Sec. 1002.003. POLITICAL SUBDIVISION. The district is a  
3 political subdivision of this state. (Acts 60th Leg., R.S., Ch.  
4 120, Sec. 15 (part).)

5 Source Law

6 Sec. 15. The hospital district created under  
7 this Act shall be and is declared to be a political  
8 subdivision of the State of Texas, and . . . .

9 Revised Law

10 Sec. 1002.004. DISTRICT TERRITORY. (a) The district is  
11 composed of the territory described by Section 1, Chapter 120, Acts  
12 of the 60th Legislature, Regular Session, 1967, as that territory  
13 may have been modified under:

14 (1) Subchapter D or its predecessor statute, Section  
15 4a, Chapter 120, Acts of the 60th Legislature, Regular Session,  
16 1967; or

17 (2) other law.

18 (b) The legislature finds that the boundaries and field  
19 notes of the district contained in Section 1, Chapter 120, Acts of  
20 the 60th Legislature, Regular Session, 1967, form a closure. A  
21 mistake in the field notes or in copying the field notes in the  
22 legislative process does not affect:

23 (1) the organization, existence, or validity of the  
24 district;

25 (2) the right of the district to issue bonds;

26 (3) the right of the district to impose taxes; or

27 (4) the legality or operation of the district in any  
28 other manner. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part); New.)

29 Source Law

30 Sec. 1. . . . The Legislature hereby finds that  
31 the foregoing boundaries and field notes of said  
32 District form a closure, and, if any mistake is made in  
33 copying the field notes in the legislative process,  
34 such mistake shall not affect the organization,  
35 existence or validity of the District or its right to  
36 issue bonds or refunding bonds, and the right to  
37 assess, levy and collect taxes, or in any other manner  
38 affect the legality or operation of the District.

1 Revisor's Note

2 (1) The revision of the law governing the  
3 Angleton-Danbury Hospital District of Brazoria  
4 County, Texas, does not revise the statutory language  
5 describing the territory of the district to avoid the  
6 lengthy recitation of the description and because that  
7 description may not be accurate on the effective date  
8 of the revision or at the time of a later reading. For  
9 the reader's convenience, the revised law adds a  
10 reference to the statutory description of the  
11 district's territory and references to statutory  
12 authority to change the district's territory. The  
13 revised law also includes a reference to the general  
14 authority of the legislature to enact other laws to  
15 change the district's boundaries.

16 (2) Section 1, Chapter 120, Acts of the 60th  
17 Legislature, Regular Session, 1967, provides that a  
18 mistake does not affect the right of the district to  
19 issue "bonds or refunding bonds." The revised law  
20 omits as unnecessary the reference to "refunding  
21 bonds" because refunding bonds are included in the  
22 meaning of "bonds."

23 (3) Section 1, Chapter 120, Acts of the 60th  
24 Legislature, Regular Session, 1967, refers to the  
25 district's authority to "assess, levy and collect"  
26 taxes. Throughout this chapter the revised law  
27 substitutes "impose" for "assess, levy and collect" or  
28 for "levy" because "impose" is the term generally used  
29 in Title 1, Tax Code, and includes the assessment,  
30 levying, and collection of an ad valorem tax.

31 Revised Law

32 Sec. 1002.005. CORRECTION OF INVALID PROCEDURES. If a  
33 court holds that any procedure under this chapter violates the  
34 constitution of this state or of the United States, the district by

1 resolution may provide an alternative procedure that conforms with  
2 the constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 17 (part).)

3 Source Law

4 Sec. 17. . . . [Federal or State  
5 Constitution] . . . Where any procedure hereunder  
6 may be held by any court to be violative of either of  
7 such constitutions, the District shall have the power  
8 by resolution to provide an alternative procedure  
9 conformable with such constitutions. . . .

10 Revisor's Note

11 Section 17, Chapter 120, Acts of the 60th  
12 Legislature, Regular Session, 1967, provides that  
13 nothing in that act violates the federal constitution  
14 or state constitution and requires that action under  
15 the act be in compliance with the constitutions. The  
16 revised law omits the reference to the federal  
17 constitution as unnecessary because, under the  
18 Supremacy Clause of the United States Constitution  
19 (Clause 2, Article VI), federal law always takes  
20 precedence over a state statute. The revised law also  
21 omits the reference to the Texas Constitution as  
22 unnecessary because the state cannot modify  
23 constitutional requirements by statute. The omitted  
24 law reads:

25 Sec. 17. Nothing in this Act shall be  
26 construed to violate any provision of the  
27 Federal or State Constitution, and all  
28 things done under this Act shall be in such  
29 manner as will conform thereto, whether  
30 expressly so provided or not. . . .

31 Revised Law

32 Sec. 1002.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
33 OBLIGATION. The support and maintenance of the district's  
34 hospital system may not become a charge against or obligation of  
35 this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

36 Source Law

37 Sec. 8. . . . It is provided specifically that  
38 the support and maintenance of the District's hospital  
39 system shall never become a charge against or  
40 obligation of the State of Texas.

1 Revisor's Note  
2 (End of Subchapter)

3 Sections 3, 5, and 6, Chapter 120, Acts of the  
4 60th Legislature, Regular Session, 1967, provide  
5 procedures for holding an election on creation of the  
6 Angleton-Danbury Hospital District of Brazoria  
7 County, Texas. Because the hospital district has been  
8 created, the revised law omits Sections 3, 5, and 6 as  
9 executed. The omitted law reads:

10 Sec. 3. Such District shall not be  
11 created nor shall any tax therein be  
12 authorized unless and until such creation  
13 and such tax are approved by a majority of  
14 the qualified property taxpaying electors  
15 of the District voting at an election called  
16 for such purpose. Such election shall be  
17 initiated by a petition to the District's  
18 first Board of Directors hereinafter named  
19 and signed by at least one hundred (100)  
20 qualified property taxpaying electors  
21 residing within the boundaries of the  
22 proposed District. Within ten (10) days  
23 after the presentation of said petition to  
24 said Board, said Board shall order an  
25 election to be held within said District,  
26 not less than thirty (30) days from the date  
27 said election is ordered. The order calling  
28 such election shall specify the date and  
29 place or places of holding same, the form of  
30 ballot and the presiding judge for each  
31 voting place. At such election there shall  
32 be submitted to the qualified property  
33 taxpaying electors of said proposed  
34 District the proposition of whether or not  
35 Angleton-Danbury Hospital District of  
36 Brazoria County, Texas, shall be created  
37 with authority to levy annual taxes at a  
38 rate not to exceed seventy-five cents (75¢)  
39 on the \$100 valuation of all taxable  
40 property within such District subject to  
41 hospital District taxation for the purpose  
42 of meeting the requirements of the  
43 District's bonds and its maintenance and  
44 operating expenses, and a majority of the  
45 qualified property taxpaying electors of  
46 the District voting at said election in  
47 favor of the proposition shall be  
48 sufficient for its adoption. The ballots of  
49 said election shall conform to the  
50 requirements of the Texas Election Code, as  
51 amended, and shall have printed thereon the  
52 following:

53 "FOR the creation of Angleton-Danbury  
54 Hospital District of Brazoria County,  
55 Texas; providing for the levy of annual  
56 taxes at a rate not to exceed seventy-five  
57 cents (75¢) on the One Hundred Dollars  
58 valuation of all taxable property within  
59 such District"; and

1 "AGAINST the creation of  
2 Angleton-Danbury Hospital District of  
3 Brazoria County, Texas; providing for the  
4 levy of annual taxes at a rate not to exceed  
5 seventy-five cents (75¢) on the one hundred  
6 dollars valuation of all taxable property  
7 within such District."

8 Notice of said election shall be given  
9 by publishing a substantial copy of the  
10 election order in a newspaper of general  
11 circulation in the area of the proposed  
12 District, once a week for two consecutive  
13 weeks, the first publication to appear at  
14 least fourteen (14) days prior to the date  
15 set for the election. If the proposition to  
16 create the Angleton-Danbury Hospital  
17 District of Brazoria County, Texas, fails  
18 to carry at the election, no other election  
19 for the same purpose may be held within one  
20 year after the result of the election is  
21 announced officially.

22 Sec. 5. After such creation, tax levy  
23 and directors election is held, the  
24 officials conducting same shall make due  
25 returns to said Board of Directors which  
26 shall canvass the returns thereof. If a  
27 majority of the qualified property  
28 taxpaying electors voting at said election  
29 voted in favor of the proposition to create  
30 said District and levy said tax, said Board  
31 shall so find and declare said District  
32 created and established; and said Board  
33 shall also declare the results of said  
34 directors election.

35 Sec. 6. A bond election may also be  
36 held on the same day as said creation, tax  
37 levy, and directors election, and said  
38 petition mentioned in Section 3 hereof may  
39 also include a proposition on the issuance  
40 of bonds of said District. Such bond  
41 election may be called by a separate  
42 election order, or as a part of the order  
43 calling such election provided for in said  
44 Section 3. The provisions of Section 12  
45 hereof shall apply to such bond election.  
46 If the bonds are authorized at said  
47 election, they shall then be issued by the  
48 Board of Directors, assuming that the  
49 proposition specified in Section 3 is  
50 favored by a majority vote.

51 [Sections 1002.007-1002.050 reserved for expansion]

52 SUBCHAPTER B. DISTRICT ADMINISTRATION

53 Revised Law

54 Sec. 1002.051. BOARD OF DIRECTORS; ELECTION. (a) The  
55 board consists of nine persons elected as provided by this section.

56 (b) For the purpose of electing a board, the district is  
57 divided into three areas:

58 (1) Area Angleton, composed of:

1 (A) all territory within Brazoria County  
2 election precincts Nos. 1, 2, and 5 that is within the boundaries of  
3 the Angleton Independent School District, as those precincts and  
4 those boundaries existed on January 1, 1967; and

5 (B) that part of Brazoria County election  
6 precinct No. 6 that is west of Chocolate Bayou and within the  
7 boundaries of the Angleton Independent School District, as that  
8 precinct and those boundaries existed on January 1, 1967;

9 (2) Area Danbury, composed of all territory within the  
10 boundaries of the Danbury Independent School District, as those  
11 boundaries existed on January 1, 1967; and

12 (3) Area Rosharon, composed of:

13 (A) all territory within Brazoria County  
14 election precinct No. 9 that is not within the boundaries of the  
15 Danbury Independent School District, as that precinct and those  
16 boundaries existed on January 1, 1967; and

17 (B) all territory within Brazoria County  
18 election precinct No. 21 that is not within the boundaries of the  
19 Manvel Independent School District, as that precinct and those  
20 boundaries existed on January 1, 1967.

21 (c) A change in the boundaries of an election precinct or a  
22 school district does not affect or change the boundaries of an area  
23 prescribed by Subsection (b).

24 (d) Eight directors are elected by position and one director  
25 is elected at large. The persons elected for Director, Position  
26 Nos. 1, 2, 3, 4, and 5 must be residents of Area Angleton. The  
27 persons elected for Director, Position Nos. 6 and 7 must be  
28 residents of Area Danbury. The person elected for Director,  
29 Position No. 8 must be a resident of Area Rosharon. The director  
30 elected for Position No. 9 must be a resident of the district at  
31 large.

32 (e) At each directors' election, all qualified voters of the  
33 district may vote for directors. The candidate for a position  
34 receiving the highest number of votes for election to that position

1 is a director for the district.

2 (f) Directors serve staggered two-year terms unless  
3 four-year terms are established under Section 285.081, Health and  
4 Safety Code. If the directors serve two-year terms, the terms of  
5 directors elected to odd-numbered positions expire in  
6 even-numbered years and the terms of directors elected to  
7 even-numbered positions expire in odd-numbered years. (Acts 60th  
8 Leg., R.S., Ch. 120, Sec. 4 (part).)

9 Source Law

10 Sec. 4. For the purpose of electing a District  
11 Board of Directors, said District is hereby divided  
12 into the following three (3) areas: Area Angleton,  
13 which shall be composed of all that territory within  
14 Brazoria County Voting Precincts Nos. 1, 2 and 5 which  
15 lies within the boundaries of the Angleton Independent  
16 School District and that part of Brazoria County  
17 Voting Precinct No. 6 which is west of Chocolate Bayou  
18 and within the boundaries of said Angleton Independent  
19 School District; Area Danbury, which shall be composed  
20 of all that territory comprising the Danbury  
21 Independent School District; and Area Rosharon, which  
22 shall be composed of all that territory within  
23 Brazoria County Voting Precinct No. 9 which is not  
24 within the boundaries of the Danbury Independent  
25 School District and all that territory within Brazoria  
26 County Voting Precinct No. 21 which is not within the  
27 boundaries of the Manvel Independent School District.  
28 The boundaries of said areas shall be fixed as of  
29 January 1, 1967, and subsequent changes of the  
30 boundaries of county voting precincts and/or school  
31 districts shall not affect or change the boundaries of  
32 said areas as herein set forth.

33 . . . which Board shall be composed of nine (9)  
34 persons. Except for the first Board of Directors, one  
35 member shall be a resident of Area Angleton (said  
36 member to be known as "Director, Position No. 1"); one  
37 member shall be a resident of Area Angleton (said  
38 member to be known as "Director, Position No. 2"); one  
39 member shall be a resident of Area Angleton (said  
40 member to be known as "Director, Position No. 3"); one  
41 member shall be a resident of Area Angleton (said  
42 member to be known as "Director, Position No. 4"); one  
43 member shall be a resident of Area Angleton (said  
44 member to be known as "Director, Position No. 5"); one  
45 member shall be a resident of Area Danbury (said member  
46 to be known as "Director, Position No. 6"); one member  
47 shall be a resident of Area Danbury (said member to be  
48 known as "Director, Position No. 7"); one member shall  
49 be a resident of Area Rosharon (said member to be known  
50 as "Director, Position No. 8"); and one member shall be  
51 a resident of the District at large (said member to be  
52 known as "Director, Position No. 9"). At all directors  
53 elections, all qualified voters in the District shall  
54 be permitted to vote for directors.

55 . . . The offices of Directors of Positions Nos.  
56 1, 3, 5, 7 and 9 shall be filled by the five persons  
57 respectively receiving the largest number of votes  
58 cast for Director for each respective position, and

1 said persons shall serve until the second Tuesday in  
2 January 1968, and until their successors are elected  
3 and qualified. At that time a general election shall  
4 be held in said District, and the five persons  
5 respectively receiving the largest number of votes  
6 cast for Director for each respective position shall  
7 serve for two years and until their successors are  
8 elected and qualified. The offices of Directors of  
9 Positions Nos. 2, 4, 6 and 8 shall be filled by the four  
10 persons respectively receiving the largest number of  
11 votes cast for Director for each respective position,  
12 and said persons shall serve until the second Tuesday  
13 in January 1969, and until their successors are  
14 elected and qualified. At that time a general election  
15 shall be held in said District, and the four persons  
16 respectively receiving the largest number of votes  
17 cast for each respective position shall serve for two  
18 years and until their successors are elected and  
19 qualified. Thereafter, a general election shall be  
20 held in said District each year for five Directors and  
21 four Directors, respectively, and the term of office  
22 of each such Director shall be for a term of two years  
23 and until his successor is elected and qualified.

24 Revisor's Note

25 (1) Section 4, Chapter 120, Acts of the 60th  
26 Legislature, Regular Session, 1967, refers to "voting  
27 precincts." The revised law substitutes "election  
28 precincts" for "voting precincts" because the terms  
29 are synonymous and the former is the term used in the  
30 Election Code.

31 (2) Section 4, Chapter 120, Acts of the 60th  
32 Legislature, Regular Session, 1967, prescribes the  
33 procedures for electing the original board of  
34 directors. The revised law omits those provisions as  
35 executed. The omitted law reads:

36 Sec. 4. . . .

37 At said creation and tax levy election  
38 mentioned in Section 3 hereof, there shall  
39 also be submitted to the resident qualified  
40 electors of said proposed District a  
41 separate ballot containing the names of all  
42 qualified persons who shall file their  
43 applications with the Secretary of the  
44 District's Board of Directors, not later  
45 than twenty (20) days prior to the date set  
46 for said election, to have their names  
47 placed on said ballot for election to the  
48 District's Board of Directors. Each said  
49 application shall designate the number of  
50 the Director's position for which said  
51 application is made. . . .

52 (3) Section 4, Chapter 120, Acts of the 60th  
53 Legislature, Regular Session, 1967, provides that the

1 original directors serve "until the second Tuesday in  
2 January" and that "at that time a general election  
3 shall be held in said District." Section 41.001,  
4 Election Code, prescribes uniform election dates that  
5 all political subdivisions are required to follow.  
6 The second Tuesday in January is not a uniform election  
7 date and was not a uniform election date when the  
8 Election Code was enacted in 1985. As enacted in 1985,  
9 Section 41.005, Election Code, provided that if a law  
10 outside the Election Code required the general  
11 election for officers of a political subdivision to be  
12 held on a date other than a uniform election date, the  
13 governing body was required to set future election  
14 dates to comply with the Election Code. The revised  
15 law omits the references to the election dates and  
16 expirations of terms as impliedly repealed.

17 (4) Section 4, Chapter 120, Acts of the 60th  
18 Legislature, Regular Session, 1967, provides that  
19 directors serve for two years. Section 285.081, Health  
20 and Safety Code, provides a mechanism by which the  
21 governing board of a hospital district may, on its own  
22 motion, order that the members are to be elected in  
23 even-numbered years to serve staggered four-year  
24 terms. The revised law is drafted accordingly and adds  
25 a reference to this provision for the convenience of  
26 the reader.

27 (5) Section 4, Chapter 120, Acts of the 60th  
28 Legislature, Regular Session, 1967, provides that the  
29 directors serve until their successors are "elected  
30 and qualified." The revised law omits this provision  
31 as unnecessary because it duplicates Section 17,  
32 Article XVI, Texas Constitution. That section  
33 provides that an officer in this state is to continue  
34 to perform the officer's official duties until a

1 successor has qualified.

2 Revised Law

3 Sec. 1002.052. BOND; RECORD OF BOND AND OATH OF  
4 OFFICE. (a) Each director shall execute a good and sufficient  
5 bond for \$5,000 that is:

6 (1) approved by the Commissioners Court of Brazoria  
7 County and the board;

8 (2) payable to the district; and

9 (3) conditioned on the faithful performance of the  
10 director's duties.

11 (b) The bond and the constitutional oath of office shall be  
12 kept in the permanent records of the district. (Acts 60th Leg.,  
13 R.S., Ch. 120, Sec. 4 (part).)

14 Source Law

15 Sec. 4. . . .

16 Each member of the Board shall execute the  
17 Constitutional oath of office and by making a good and  
18 sufficient bond, to be approved by the Commissioners  
19 Court of Brazoria County, Texas, for \$5,000 payable to  
20 said District and conditioned upon the faithful  
21 performance of his duties as such Director, and such  
22 oaths and bonds shall be kept in the permanent records  
23 of said District. The bonds of said Directors shall be  
24 approved by the District's Board of Directors. . . .

25 Revisor's Note

26 Section 4, Chapter 120, Acts of the 60th  
27 Legislature, Regular Session, 1967, requires each  
28 member of the board to take the constitutional oath of  
29 office. The revised law omits this provision as  
30 unnecessary because Section 1, Article XVI, Texas  
31 Constitution, requires all officers to take the oath  
32 before assuming office.

33 Revised Law

34 Sec. 1002.053. BOARD VACANCY. (a) If a vacancy occurs in  
35 the office of director, the remaining directors shall appoint a  
36 director for the remainder of the unexpired term.

37 (b) If the number of directors is reduced to less than five,  
38 the remaining directors shall immediately call a special election

1 to fill the vacancies. On application of any voter or taxpayer of  
2 the district when the board fails to call an election, a district  
3 court may order the directors to hold the election. (Acts 60th  
4 Leg., R.S., Ch. 120, Sec. 7 (part).)

5 Source Law

6 Sec. 7. . . . All vacancies in the office of  
7 Director shall be filled for the unexpired term by  
8 appointment of the remainder of the Board. If the  
9 number of Directors is reduced to less than five (5),  
10 the remaining Directors shall immediately call a  
11 special election to fill said vacancies. Upon failure  
12 to do so, a District Court may, upon application of any  
13 voter or taxpayer of the District, issue a mandate  
14 requiring such Directors to call and hold such  
15 election.

16 Revisor's Note

17 Section 7, Chapter 120, Acts of the 60th  
18 Legislature, Regular Session, 1967, provides that a  
19 district court may require the directors to "call and  
20 hold" a special election to fill board vacancies.  
21 Throughout this chapter, the revised law omits  
22 references to "calling" an election because, in this  
23 context, "calling" an election is included within the  
24 meaning of "holding" an election. Under Chapter 3,  
25 Election Code, all elections must be ordered (called)  
26 before they may be held.

27 Revised Law

28 Sec. 1002.054. OFFICERS. The board shall elect a president  
29 and a secretary from among the directors to serve until the next  
30 directors election. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

31 Source Law

32 Sec. 7. The Board of Directors of said District  
33 shall elect a president and Secretary from their  
34 number to serve until the next succeeding directors  
35 election. . . .

36 Revised Law

37 Sec. 1002.055. COMPENSATION; REIMBURSEMENT. A director  
38 serves without compensation but may be reimbursed for actual  
39 expenses incurred by the director in the performance of official  
40 duties on the approval of the expenses by the board. (Acts 60th

1 Leg., R.S., Ch. 120, Sec. 7 (part).)

2 Source Law

3 Sec. 7. . . . The Board of Directors of said  
4 District shall serve without compensation but may be  
5 reimbursed for actual expenses incurred by them in the  
6 performance of their official duties upon the approval  
7 of such expenses by the Board of Directors  
8 thereof. . . .

9 Revised Law

10 Sec. 1002.056. VOTING REQUIREMENT. A concurrence of five  
11 directors is sufficient in any matter relating to the business of  
12 the district. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

13 Source Law

14 Sec. 7. . . . a concurrence of five (5) shall be  
15 sufficient in all matters pertaining to the business  
16 of the District. . . .

17 Revisor's Note

18 Section 7, Chapter 120, Acts of the 60th  
19 Legislature, Regular Session, 1967, provides that five  
20 directors constitute a quorum. The revised law omits  
21 this provision as duplicative of general law. Section  
22 312.015, Government Code, applicable to civil  
23 statutes, and Section 311.013, Government Code (Code  
24 Construction Act), applicable to the revised law,  
25 provide that a majority of a board or commission  
26 constitutes a quorum. The omitted law reads:

27 Sec. 7. . . . Any five (5) of said  
28 Directors shall constitute a quorum,  
29 and . . . .

30 Revised Law

31 Sec. 1002.057. RECRUITMENT OF STAFF AND EMPLOYEES. The  
32 board may spend district money, enter into agreements, and take  
33 other necessary action to recruit physicians and other persons to  
34 serve as medical staff members or district employees, including:

- 35 (1) advertising and marketing;
- 36 (2) paying travel, recruitment, and relocation  
37 expenses; and
- 38 (3) providing a loan or scholarship to a physician, or

1 a person currently enrolled in health care education courses at an  
2 institution of higher education, who contractually agrees to become  
3 a medical staff member or district employee. (Acts 60th Leg., R.S.,  
4 Ch. 120, Sec. 7A(c).)

5 Source Law

6 (c) The Board of Directors may spend District  
7 funds, enter into agreements, and take other necessary  
8 action to recruit physicians and other persons to  
9 serve as medical staff members or employees of the  
10 District, including:

- 11 (1) advertising and marketing;
- 12 (2) paying travel, recruitment, and  
13 relocation expenses; and
- 14 (3) providing a loan or scholarship to a  
15 physician, or a person currently enrolled in health  
16 care education courses at an institution of higher  
17 education, who contractually agrees to become a  
18 District employee or medical staff member.

19 Revised Law

20 Sec. 1002.058. STAFF PHYSICIAN OFFICE  
21 FACILITIES. (a) The board shall determine the type, number, and  
22 location of buildings necessary to establish and maintain office  
23 facilities for staff physicians to provide adequate medical care.

24 (b) The board may:

- 25 (1) acquire property and equipment and construct  
26 facilities for the district for use by staff physicians; and
- 27 (2) mortgage or pledge the property, equipment, or  
28 facilities as security for the payment of the purchase price or  
29 construction cost.

30 (c) The board may lease the office facilities and equipment  
31 to staff physicians or may sell or otherwise dispose of the  
32 property, facilities, and equipment. (Acts 60th Leg., R.S., Ch.  
33 120, Secs. 12A(a), (b), (c).)

34 Source Law

35 Sec. 12A. (a) The Board of Directors shall  
36 determine the type, number, and location of buildings  
37 required to establish and maintain office facilities  
38 for staff physicians as necessary to provide adequate  
39 medical care.

40 (b) The Board of Directors may acquire property  
41 and equipment and construct facilities for the  
42 District for use by staff physicians and may mortgage  
43 or pledge the property, facilities, or equipment  
44 acquired as security for the payment of the purchase  
45 price or construction cost.

1 (c) The Board, on behalf of the District, may  
2 lease the office facilities and equipment to staff  
3 physicians or may sell or otherwise dispose of the  
4 property, facilities, and equipment.

5 Revised Law

6 Sec. 1002.059. HEALTH EDUCATION PROGRAMS FOR STAFF AND  
7 EMPLOYEES. The board may spend district money, enter into  
8 agreements, and take other necessary action to conduct, participate  
9 in, or otherwise assist in providing health care educational  
10 programs for current or prospective medical staff members or  
11 district employees. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(d).)

12 Source Law

13 (d) The Board of Directors may spend District  
14 funds, enter into agreements, and take other necessary  
15 action to conduct, participate in, or otherwise assist  
16 in providing health care educational programs for  
17 current or prospective medical staff members or  
18 employees of the District.

19 Revised Law

20 Sec. 1002.060. RETIREMENT BENEFITS. The board may provide  
21 retirement benefits for district employees by:

22 (1) establishing or administering a retirement  
23 program; or

24 (2) participating in:

25 (A) the Texas County and District Retirement  
26 System; or

27 (B) another statewide retirement system in which  
28 the district is eligible to participate. (Acts 60th Leg., R.S., Ch.  
29 120, Sec. 7A(e).)

30 Source Law

31 (e) The Board of Directors may provide  
32 retirement benefits for employees of the District by  
33 establishing or administering a retirement program or  
34 by participating in the Texas County and District  
35 Retirement System or in another statewide retirement  
36 system in which the District is eligible to  
37 participate.

38 [Sections 1002.061-1002.100 reserved for expansion]

39 SUBCHAPTER C. POWERS AND DUTIES

40 Revised Law

41 Sec. 1002.101. DISTRICT RESPONSIBILITY. The district has

1 full responsibility for providing medical and hospital care for the  
2 district's needy residents. (Acts 60th Leg., R.S., Ch. 120, Sec.  
3 2(a) (part).)

4 Source Law

5 (a) . . . Such District shall assume full  
6 responsibility for providing medical and hospital care  
7 for its needy inhabitants. . . .

8 Revisor's Note

9 Section 2(a), Chapter 120, Acts of the 60th  
10 Legislature, Regular Session, 1967, provides that the  
11 district "shall assume" full responsibility for  
12 providing medical and hospital care for the district's  
13 needy residents. The revised law substitutes "has"  
14 for the quoted language because the obligation to  
15 assume the responsibility is executed.

16 Revised Law

17 Sec. 1002.102. LIMITATION ON CERTAIN POLITICAL  
18 SUBDIVISIONS. A political subdivision other than the district in  
19 Brazoria County may not impose taxes or issue bonds or other  
20 obligations for hospital purposes or to provide medical care for  
21 district residents. (Acts 60th Leg., R.S., Ch. 120, Sec. 2(a)  
22 (part).)

23 Source Law

24 (a) . . . After establishment of such  
25 District, no other municipality or political  
26 subdivision in Brazoria County shall have the power to  
27 levy taxes or issue bonds or other obligations for  
28 hospital purposes or for providing medical care within  
29 the boundaries of the District.

30 Revisor's Note

31 Section 2(a), Chapter 120, Acts of the 60th  
32 Legislature, Regular Session, 1967, provides that  
33 after "establishment of such District," a  
34 "municipality or political subdivision" in Brazoria  
35 County may not impose taxes or issue bonds or other  
36 obligations for hospital purposes. The revised law  
37 omits the reference to the "establishment" of the

1 district as executed. The revised law omits  
2 "municipality" because it is included within the  
3 meaning of "political subdivision."

4 Revised Law

5 Sec. 1002.103. POWERS OF BOARD. (a) The board has all  
6 powers necessary, convenient, or incidental to carry out the  
7 purposes for which the district was created.

8 (b) The board has the complete management and control of all  
9 the business of the district, including the power to negotiate and  
10 contract with any person to purchase or lease land, to construct and  
11 equip a hospital system, to operate and maintain a hospital or  
12 hospitals, and to negotiate and contract with other political  
13 subdivisions of the state or private individuals, associations, or  
14 corporations for those purposes, all as may be determined to be  
15 necessary or desirable for the district by the board.

16 (c) This section is not a limitation on the powers of the  
17 board. (Acts 60th Leg., R.S., Ch. 120, Secs. 4 (part), 7 (part).)

18 Source Law

19 Sec. 4. . . .  
20 . . . The management and control of said  
21 District is hereby and shall be vested in a Board of  
22 Directors, . . . .

23 Sec. 7. . . . Not by way of limitation, the  
24 Board shall have the complete management and control  
25 of all the business of the District, including but not  
26 limited to the power and authority to negotiate and  
27 contract with any person or body, public or private, to  
28 purchase or lease land, to construct and equip a  
29 hospital system, and to operate and maintain a  
30 hospital or hospitals, and to negotiate and contract  
31 with other political subdivisions of the state or  
32 private individuals, associations or corporations for  
33 such purposes, all as may be determined to be necessary  
34 or desirable for said District by said Board; and said  
35 Board shall have all powers necessary, convenient or  
36 incidental to carry out the purposes for which said  
37 District is created. . . .

38 Revisor's Note

39 (1) Section 7, Chapter 120, Acts of the 60th  
40 Legislature, Regular Session, 1967, refers to  
41 "including but not limited to." The revised law omits  
42 "but not limited to" as unnecessary because Section

1 311.005(13), Government Code (Code Construction Act),  
2 and Section 312.011(19), Government Code, provide that  
3 "includes" and "including" are terms of enlargement  
4 and not of limitation and do not create a presumption  
5 that components not expressed are excluded.

6 (2) Section 7, Chapter 120, Acts of the 60th  
7 Legislature, Regular Session, 1967, refers to the  
8 "power and authority" of the board. The revised law  
9 omits the reference to "authority" as unnecessary  
10 because "authority" is included within the meaning of  
11 "power."

12 (3) Section 7, Chapter 120, Acts of the 60th  
13 Legislature, Regular Session, 1967, provides that the  
14 board may contract with "any person or body, public or  
15 private, . . . ." The revised law omits "body, public  
16 or private," because under Section 311.005(2),  
17 Government Code (Code Construction Act), "person"  
18 includes a public or private body.

19 Revised Law

20 Sec. 1002.104. HOSPITAL SYSTEM. (a) The district shall  
21 provide for the establishment of a hospital or hospital system  
22 within the district's boundaries to provide health care services to  
23 persons residing in the district by:

24 (1) purchasing, constructing, acquiring, repairing,  
25 or renovating buildings and improvements;

26 (2) equipping the buildings and improvements; and

27 (3) administering the buildings and improvements for  
28 hospital purposes.

29 (b) The hospital system may include any facility or  
30 equipment the board considers necessary or appropriate for  
31 providing health care services, including:

32 (1) domiciliary care and treatment of sick, injured,  
33 or geriatric patients;

34 (2) outpatient clinics;

- 1 (3) rural health clinics;
- 2 (4) convalescent home facilities;
- 3 (5) assisted living or personal care facilities;
- 4 (6) physicians' offices;
- 5 (7) home health care services;
- 6 (8) durable medical equipment;
- 7 (9) long-term care;
- 8 (10) skilled and intermediate nursing care;
- 9 (11) preventive care services;
- 10 (12) ancillary support;
- 11 (13) pharmacies;
- 12 (14) hospice care;
- 13 (15) community mental health centers; and
- 14 (16) alcohol or chemical dependency centers.

15 (c) The district may operate or assist in the operation of a  
16 mobile emergency medical service as part of the hospital system.  
17 (Acts 60th Leg., R.S., Ch. 120, Secs. 2(a) (part), (b).)

18 Source Law

19 Sec. 2. (a) The District hereby authorized to  
20 be created shall provide for the establishment of a  
21 hospital or hospital system within its boundaries to  
22 furnish health care services to persons residing in  
23 said District by the purchase, construction,  
24 acquisition, repair or renovation of buildings and  
25 improvements and the equipping of same and the  
26 administration thereof for hospital purposes. . . .

27 (b) The hospital system may include facilities  
28 and equipment to provide for domiciliary care and  
29 treatment of sick, injured, or geriatric patients,  
30 outpatient clinics, rural health clinics,  
31 convalescent home facilities, assisted living or  
32 personal care facilities, physicians' offices, home  
33 health care services, durable medical equipment,  
34 long-term care, skilled nursing care, intermediate  
35 nursing care, preventive care services, ancillary  
36 support, pharmacies, hospice care, community mental  
37 health centers, alcohol or chemical dependency  
38 centers, or any other facility or equipment the Board  
39 of Directors considers necessary or appropriate for  
40 providing health care services. The District may also  
41 operate or assist in the operation of a mobile  
42 emergency medical service as part of the hospital  
43 system.

44 Revisor's Note

45 Section 2(a), Chapter 120, Acts of the 60th  
46 Legislature, Regular Session, 1967, provides that the

1 act does not provide for transfer of a hospital or  
2 assumption of certain debt. The revised law omits this  
3 provision as executed. The omitted law reads:

4 (a) . . . Since there is no  
5 hospital, hospital system or hospital  
6 facilities of any nature presently owned by  
7 Brazoria County or any city or town within  
8 the boundaries of said District, no  
9 provisions are made herein for the transfer  
10 of properties or equipment or the  
11 assumption of outstanding indebtedness  
12 heretofore incurred for hospital  
13 purposes. . . .

14 Revised Law

15 Sec. 1002.105. OPERATING, MANAGEMENT, OR CONSULTING  
16 CONTRACTS. (a) The board may enter into an operating, management,  
17 or consulting contract to obtain management or consulting services  
18 for the district or for any portion of the district. The contract  
19 must provide that the board retains responsibility for and control  
20 of the district's operation.

21 (b) A company providing services to the district under the  
22 contract, and the officers, directors, and employees of the  
23 company, while performing services under the contract for the  
24 benefit of the district:

25 (1) are solely employees of the district for purposes  
26 of any determination regarding the immunity or liability of the  
27 company or its officers, directors, and employees; and

28 (2) have immunity or limited liability under laws  
29 applicable to district employees, whether statutory or common law,  
30 to the extent a district employee would be entitled under the same  
31 circumstances. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(a).)

32 Source Law

33 Sec. 7A. (a) The board of directors may enter  
34 into an operating, management, or consulting contract  
35 to obtain management or consulting services for the  
36 District or for any portion of the District. The  
37 contract must provide that the board retains  
38 responsibility for and control of the District's  
39 operation. A company providing services to the  
40 District under an operating, management, or consulting  
41 contract, and the officers, directors, and employees  
42 of the company, while performing services under the  
43 contract for the benefit of the District, shall be  
44 solely employees of the District regarding the issue

1 of the immunity or liability of the company and its  
2 officers, directors, and employees, and shall have  
3 immunity or limited liability under laws applicable to  
4 employees of the hospital district (whether statutory  
5 or common law) to the extent an employee of the  
6 hospital district would be so entitled under the same  
7 circumstances.

8 Revised Law

9 Sec. 1002.106. PROVISION OF SERVICES OUTSIDE  
10 DISTRICT. Subject to the approval of the board, the district may  
11 provide primary care, emergency services, preventive medical  
12 services, and other health-related services outside the district if  
13 the services serve the purpose of the district as established by  
14 this chapter. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(b).)

15 Source Law

16 (b) The District, subject to the approval of the  
17 Board of Directors, may provide primary care,  
18 emergency services, preventive medical services, and  
19 other health-related services outside the District,  
20 provided that the services serve the purpose of the  
21 District as established by this Act.

22 Revised Law

23 Sec. 1002.107. EMINENT DOMAIN. (a) The district may  
24 exercise the power of eminent domain to acquire a fee simple or  
25 other interest in any type of property, real, personal, or mixed,  
26 located in the territory of the district if the interest is  
27 necessary or convenient for the district to exercise the rights,  
28 powers, privileges, or functions conferred by this chapter.

29 (b) The district must exercise the power of eminent domain  
30 in the manner provided by Chapter 21, Property Code, but the  
31 district is not required to deposit in the trial court money or a  
32 bond as provided by Section 21.021(a), Property Code.

33 (c) In a condemnation proceeding brought by the district,  
34 the district is not required to:

35 (1) pay in advance or provide bond or other security  
36 for costs in the trial court;

37 (2) provide bond for the issuance of a temporary  
38 restraining order or a temporary injunction; or

39 (3) provide bond for cost or supersedeas on an appeal  
40 or writ of error. (Acts 60th Leg., R.S., Ch. 120, Sec. 11.)

1 Source Law

2 Sec. 11. Said District shall have the right and  
3 power of eminent domain for the purpose of acquiring by  
4 condemnation any and all property of any kind or  
5 character, real, personal or mixed, or any interest  
6 therein, including outright ownership of such property  
7 in fee simple absolute, within the boundaries of said  
8 District, necessary or convenient to the exercise of  
9 the rights, powers, privileges and functions conferred  
10 upon it by this Act in the manner provided by General  
11 Law with respect to condemnation by counties; provided  
12 that said District shall not be required to make  
13 deposits in the registry of the trial court of the sum  
14 required by Paragraph No. 2 in Article 3268, V.A.C.S.  
15 of Texas, 1925, as amended, or to make the bond  
16 required therein. In condemnation proceedings being  
17 prosecuted by said District, said District shall not  
18 be required to pay in advance or to give bond or other  
19 security for costs in the trial court, nor to give any  
20 bond otherwise required for the issuance of a  
21 temporary restraining order or a temporary injunction  
22 relating to a condemnation proceeding, nor to give  
23 bond for costs or for supersedeas on any appeal or writ  
24 of error proceeding to any Court of Civil Appeals, or  
25 to the Supreme Court.

26 Revisor's Note

27 (1) Section 11, Chapter 120, Acts of the 60th  
28 Legislature, Regular Session, 1967, provides that the  
29 district has the "right and power of eminent domain for  
30 the purpose of acquiring [property] by condemnation."  
31 The revised law substitutes for the quoted language  
32 "may exercise the power of eminent domain to acquire  
33 [property]" because the phrases have the same meaning  
34 and the latter phrase is consistent with modern usage  
35 in laws relating to eminent domain.

36 (2) Section 11, Chapter 120, Acts of the 60th  
37 Legislature, Regular Session, 1967, provides that the  
38 district must exercise the power of eminent domain in  
39 the "manner provided by General Law with respect to  
40 condemnation by counties." The revised law  
41 substitutes for "General Law" a reference to Chapter  
42 21, Property Code, because that is the general law  
43 governing eminent domain. The revised law omits the  
44 reference to counties because Chapter 21, Property  
45 Code, applies to all political subdivisions that have

1 eminent domain authority.

2 (3) Section 11, Chapter 120, Acts of the 60th  
3 Legislature, Regular Session, 1967, refers to  
4 Paragraph 2, V.A.C.S. Article 3268. That statute was  
5 codified in 1983 as Section 21.021(a), Property Code.  
6 The revised law is drafted accordingly.

7 (4) Section 11, Chapter 120, Acts of the 60th  
8 Legislature, Regular Session, 1967, provides that the  
9 district is not required to provide bond on any appeal  
10 or writ of error proceedings to "any Court of Civil  
11 Appeals, or to the Supreme Court." The revised law  
12 omits the references to the courts as unnecessary  
13 because those are the only courts to which the district  
14 may appeal or apply for a writ of error.

15 Revised Law

16 Sec. 1002.108. GIFTS AND ENDOWMENTS. (a) The board may  
17 accept for the district a gift or endowment to be held in trust and  
18 administered by the board for the purposes and under the  
19 directions, limitations, or provisions prescribed in writing by the  
20 donor that are not inconsistent with the proper management and  
21 objectives of the district.

22 (b) This section is not a limitation on the authority of the  
23 board. (Acts 60th Leg., R.S., Ch. 120, Sec. 16.)

24 Source Law

25 Sec. 16. Not by way of limitation, the Board of  
26 Directors of said District is authorized in its behalf  
27 to accept donations, gifts and endowments for the  
28 District to be held in trust and administered by the  
29 Board of Directors for such purposes and under such  
30 direction, limitations and provisions as may be  
31 prescribed in writing by the donor, not inconsistent  
32 with proper management and objects of the District.

33 Revisor's Note

34 Section 16, Chapter 120, Acts of the 60th  
35 Legislature, Regular Session, 1967, refers to  
36 "donations" and "gifts." The revised law omits the  
37 reference to "donations" as unnecessary because

1 "donations" is included within the meaning of "gifts."

2 Revised Law

3 Sec. 1002.109. AUTHORITY TO SUE AND BE SUED. As a  
4 government agency, the district may sue and be sued in its own name  
5 in any court of this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 15  
6 (part).)

7 Source Law

8 Sec. 15. . . . as a governmental agency may sue  
9 and be sued in any and all courts of this state in the  
10 name of such District.

11 Revisor's Note  
12 (End of Subchapter)

13 Section 13, Chapter 120, Acts of the 60th  
14 Legislature, Regular Session, 1967, provides  
15 authority for the "State Board of Health" and the  
16 "State Board of Charities (or Public Welfare)" to  
17 inspect hospital district facilities and records. The  
18 revised law omits Section 13 as unnecessary because  
19 various state laws, including Chapters 222 and 241,  
20 Health and Safety Code, provide the necessary  
21 inspection authority to appropriate state agencies.

22 The omitted law reads:

23 Sec. 13. After the creation and  
24 establishment of said District, it shall be  
25 subject to inspection by any duly  
26 authorized representative of the State  
27 Board of Health or any State Board of  
28 Charities (or Public Welfare) that may  
29 hereafter be created, and resident officers  
30 shall admit such representatives into all  
31 District facilities and give them access on  
32 demand to all records, reports, books,  
33 papers and accounts pertaining to said  
34 District.

35 [Sections 1002.110-1002.150 reserved for expansion]

36 SUBCHAPTER D. CHANGE IN BOUNDARIES

37 Revised Law

38 Sec. 1002.151. PETITION TO EXPAND DISTRICT  
39 TERRITORY. (a) Territory may be added to the district on a  
40 petition for annexation signed by the owners of a majority in value  
41 of the land sought to be annexed, as shown by the county tax rolls.

1 (b) The petition must be filed with the secretary of the  
2 board. (Acts 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

3 Source Law

4 Sec. 4a. Territory may be added to such District  
5 upon petition for annexation thereof, which petition  
6 shall be signed by the owners of a majority in value of  
7 the land sought to be annexed, as shown by the county  
8 tax rolls. Such petition shall be filed with the  
9 Secretary of the District Board of Directors, and  
10 . . . .

11 Revised Law

12 Sec. 1002.152. NOTICE OF HEARING. (a) The board shall  
13 pass an order fixing a time and place at which the petition shall be  
14 heard.

15 (b) The secretary shall issue notice of the time and place  
16 of the hearing. The notice must describe the territory proposed to  
17 be annexed by metes and bounds or by lot and block number, if there  
18 is a recorded map or plat and survey of the land.

19 (c) Notice of the hearing shall be given by publication of a  
20 copy of the notice in a newspaper of general circulation in Brazoria  
21 County at least one time, the date of the first publication to be at  
22 least 10 days before the date of the hearing. (Acts 60th Leg.,  
23 R.S., Ch. 120, Sec. 4a (part).)

24 Source Law

25 Sec. 4a. . . . said Board shall pass an order  
26 fixing a time and place at which such petition shall be  
27 heard. The Secretary shall issue notice of such time  
28 and place of hearing, and such notice shall describe  
29 the territory proposed to be annexed by metes and  
30 bounds or by lot and block number, if there is a  
31 recorded map or plat and survey of such land. Notice  
32 of said hearing shall be given by publication of a copy  
33 thereof in a newspaper of general circulation in  
34 Brazoria County, Texas, at least one (1) time, the date  
35 of the first publication to be at least ten (10) days  
36 prior to such hearing. . . .

37 Revised Law

38 Sec. 1002.153. ORDER OF ANNEXATION. If, after hearing the  
39 petition, the board finds that the proposed annexation is to the  
40 advantage of the district and to the territory to be annexed, the  
41 board may by order annex the territory to the district. (Acts 60th  
42 Leg., R.S., Ch. 120, Sec. 4a (part).)

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Source Law

Sec. 4a. . . . If, upon the hearing of such petition, it is found that the proposed annexation of territory is to the advantage of the District and to the territory to be annexed, then said Board may by order annex such territory to such District. . . .

Revised Law

Sec. 1002.154. RATIFICATION ELECTION. (a) Annexation of the territory does not become final until ratified by a majority vote at a separate election held within the boundaries of the district and by a majority vote at a separate election held within the territory to be annexed.

(b) The election must be called by the board on its own motion. The order calling the election shall specify the date, the place or places where the election shall be held, and the presiding election officers.

(c) Notice of the election shall be given by publishing a substantial copy of the order calling the election in a newspaper of general circulation in Brazoria County once a week for two consecutive weeks, the date of the first publication to be at least 14 days before the date set for the election. (Acts 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

Source Law

Sec. 4a. . . . provided, however, annexation of such territory shall not become final until ratified by a majority vote of a separate election held within the boundaries of the District, and by a majority vote of a separate election held within the territory to be annexed. Such election shall be called by the Board of Directors on its own motion, and the order calling said election shall specify the date, place or places where the election shall be held, and the presiding officers thereof. Notice of said election shall be given by publishing a substantial copy of the order calling the election in a newspaper of general circulation in Brazoria County, Texas, once a week for two (2) consecutive weeks, the date of the first publication to be at least fourteen (14) days prior to the date set for said election. . . .

Revised Law

Sec. 1002.155. ASSUMPTION OF DEBTS AND TAXES. If the district has outstanding debts or taxes, the proposition for assumption of its proportion of the debts or taxes by the territory if annexed shall also be submitted at the election. The annexed

1 territory shall bear its pro rata part of all indebtedness or taxes  
2 that may be owed, contracted, or authorized by the district. (Acts  
3 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

4 Source Law

5 Sec. 4a. . . . The annexed territory shall  
6 bear its pro rata part of all indebtedness or taxes  
7 that may be owed, contracted or authorized by said  
8 District; . . . . In the event the District has  
9 outstanding debts or taxes, then at the same time and  
10 at the same election, the proposition for assumption  
11 of its proportion of such debts or taxes by such  
12 territory if annexed shall also be submitted.

13 [Sections 1002.156-1002.200 reserved for expansion]

14 SUBCHAPTER E. DISSOLUTION

15 Revised Law

16 Sec. 1002.201. DISSOLUTION; ELECTION. (a) The district  
17 may be dissolved only on approval of a majority of the voters voting  
18 in an election held for that purpose.

19 (b) The board may order an election on the question of  
20 dissolving the district and disposing of the district's assets and  
21 obligations.

22 (c) The board shall order an election on the question of  
23 dissolution of the district if the board receives a petition  
24 requesting an election that is signed by a number of residents of  
25 the district equal to at least 15 percent of the registered voters  
26 in the district.

27 (d) The election shall be held not later than the 60th day  
28 after the date the election is ordered.

29 (e) The order calling the election must state:

30 (1) the nature of the election, including the  
31 proposition that is to appear on the ballot;

32 (2) the date of the election;

33 (3) the hours during which the polls will be open; and

34 (4) the location of the polling places.

35 (f) Section 41.001(a), Election Code, does not apply to an  
36 election ordered under this section. (Acts 60th Leg., R.S., Ch.  
37 120, Secs. 20(a), (b), (c).)

1 Source Law

2 Sec. 20. (a) The District may be dissolved  
3 only if the dissolution is approved by a majority of  
4 the qualified voters of the District voting in an  
5 election called and held for that purpose.

6 (b) The Board of Directors may order an election  
7 on the question of dissolving the District and  
8 disposing of the District's assets and obligations.  
9 The Board shall order an election on the question of  
10 dissolution of the District if the Board receives a  
11 petition requesting an election that is signed by a  
12 number of residents of the District equal to at least  
13 15 percent of the registered voters in the District.

14 (c) The election shall be held not later than  
15 the 60th day after the date the election is ordered.  
16 Section 41.001(a), Election Code, does not apply to an  
17 election ordered under this section. The order  
18 calling the election must state:

- 19 (1) the nature of the election, including  
20 the proposition that is to appear on the ballot;  
21 (2) the date of the election;  
22 (3) the hours during which the polls will  
23 be open; and  
24 (4) the location of the polling places.

25 Revisor's Note

26 Section 20(a), Chapter 120, Acts of the 60th  
27 Legislature, Regular Session, 1967, provides for  
28 dissolution of the district if approved by a majority  
29 of the "qualified" voters "of the District." The  
30 revised law omits the quoted language as unnecessary  
31 in this context because Chapter 11, Election Code,  
32 governs eligibility to vote in an election in this  
33 state and allows only "qualified voters" who are  
34 residents of the territory covered by the election to  
35 vote in an election.

36 Revised Law

37 Sec. 1002.202. NOTICE OF ELECTION. (a) The board shall  
38 give notice of the election by publishing a substantial copy of the  
39 election order in a newspaper with general circulation in the  
40 district once a week for two consecutive weeks.

41 (b) The first publication must appear at least 35 days  
42 before the date set for election. (Acts 60th Leg., R.S., Ch. 120,  
43 Sec. 20(d) (part).)

44 Source Law

45 (d) The Board of Directors shall give notice of  
46 the election by publishing a substantial copy of the

1 election order in a newspaper with general circulation  
2 in the District once a week for two consecutive weeks.  
3 The first publication must appear at least 35 days  
4 before the date set for election. . . .

5 Revised Law

6 Sec. 1002.203. BALLOT. The ballot for the election shall  
7 be printed to permit voting for or against the proposition: "The  
8 dissolution of the Angleton-Danbury Hospital District of Brazoria  
9 County, Texas." (Acts 60th Leg., R.S., Ch. 120, Sec. 20(d) (part).)

10 Source Law

11 (d) . . . The ballot for the election shall be  
12 printed to permit voting for or against the  
13 proposition: "The dissolution of the Angleton-Danbury  
14 Hospital District of Brazoria County, Texas."

15 Revised Law

16 Sec. 1002.204. ELECTION RESULTS. (a) If a majority of the  
17 votes in the election favor dissolution, the board shall find that  
18 the district is dissolved.

19 (b) If a majority of the votes in the election do not favor  
20 dissolution, the board shall continue to administer the district  
21 and another election on the question of dissolution may not be held  
22 before the first anniversary of the date of the most recent election  
23 to dissolve the district. (Acts 60th Leg., R.S., Ch. 120, Sec.  
24 20(e).)

25 Source Law

26 (e) If a majority of the votes in the election  
27 favor dissolution, the Board of Directors shall find  
28 that the District is dissolved. If a majority of the  
29 votes in the election do not favor dissolution, the  
30 Board shall continue to administer the District and  
31 another election on the question of dissolution may  
32 not be held before the first anniversary of the most  
33 recent election to dissolve the District.

34 Revised Law

35 Sec. 1002.205. TRANSFER OR ADMINISTRATION OF  
36 ASSETS. (a) If a majority of the votes in the election held under  
37 this subchapter favor dissolution, the board shall:

38 (1) transfer the land, buildings, improvements,  
39 equipment, and other assets that belong to the district to Brazoria  
40 County or another governmental agency in Brazoria County; or

41 (2) administer the property, assets, and debts until

1 all funds have been disposed of and all district debts have been  
2 paid or settled.

3 (b) If the board makes the transfer under Subsection (a)(1),  
4 the county or agency assumes all debts and obligations of the  
5 district at the time of the transfer, and the district is dissolved.  
6 (Acts 60th Leg., R.S., Ch. 120, Secs. 20(f), (g).)

7 Source Law

8 (f) If a majority of the votes in the election  
9 favor dissolution, the Board of Directors shall:

10 (1) transfer the land, buildings,  
11 improvements, equipment, and other assets that belong  
12 to the District to Brazoria County or another  
13 governmental agency in Brazoria County; or

14 (2) administer the property, assets, and  
15 debts until all funds have been disposed of and all  
16 District debts have been paid or settled.

17 (g) If the District transfers the land,  
18 buildings, improvements, equipment, and other assets  
19 to Brazoria County or another governmental agency, the  
20 county or agency assumes all debts and obligations of  
21 the District at the time of the transfer, and the  
22 District is dissolved.

23 Revised Law

24 Sec. 1002.206. SALE OR TRANSFER OF ASSETS AND  
25 LIABILITIES. (a) Notwithstanding any other provision of this  
26 subchapter, the district may not be dissolved unless the board  
27 provides for the sale or transfer of the district's assets and  
28 liabilities to another person or entity.

29 (b) The dissolution of the district and the sale or transfer  
30 of the district's assets or liabilities may not contravene a trust  
31 indenture or bond resolution relating to the outstanding bonds of  
32 the district. The dissolution and sale or transfer does not  
33 diminish or impair the rights of a holder of an outstanding bond,  
34 warrant, or other obligation of the district.

35 (c) The sale or transfer of the district's assets and  
36 liabilities must satisfy the debt and bond obligations of the  
37 district in a manner that protects the interests of the residents of  
38 the district, including the residents' collective property rights  
39 in the district's assets. The district may not transfer or dispose  
40 of the district's assets except for due compensation unless the  
41 transfer is made to another governmental agency that serves the

1 district and the transferred assets are to be used for the benefit  
2 of the residents of the district.

3 (d) A grant from federal funds is an obligation to be repaid  
4 in satisfaction. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(m), (n).)

5 Source Law

6 (m) Notwithstanding any other provision of this  
7 section, the District may not be dissolved unless the  
8 Board provides for the sale or transfer of the  
9 District's assets and liabilities to another person or  
10 entity. The dissolution of the District and the sale  
11 or transfer of the District's assets or liabilities may  
12 not contravene a trust indenture or bond resolution  
13 relating to the outstanding bonds of the District. The  
14 dissolution and sale or transfer does not diminish or  
15 impair the rights of a holder of an outstanding bond,  
16 warrant, or other obligation of the District.

17 (n) The sale or transfer of the District's  
18 assets and liabilities must satisfy the debt and bond  
19 obligations of the District in a manner that protects  
20 the interests of the residents of the District,  
21 including the residents' collective property rights in  
22 the District's assets. A grant from federal funds is  
23 an obligation to be repaid in satisfaction. The  
24 District may not transfer or dispose of the District's  
25 assets except for due compensation unless the transfer  
26 is made to another governmental agency that serves the  
27 District and the transferred assets are to be used for  
28 the benefit of the residents of the District.

29 Revised Law

30 Sec. 1002.207. IMPOSITION OF TAX AND RETURN OF SURPLUS  
31 TAXES. (a) After the board finds that the district is dissolved,  
32 the board shall:

33 (1) determine the debt owed by the district; and

34 (2) impose on the property included in the district's  
35 tax rolls a tax that is in proportion of the debt to the property  
36 value.

37 (b) When all outstanding debts and obligations of the  
38 district are paid, the board shall order the secretary to return the  
39 pro rata share of all unused tax money to each district taxpayer.

40 (c) A taxpayer may request that the taxpayer's share of  
41 surplus tax money be credited to the taxpayer's county taxes. If a  
42 taxpayer requests the credit, the board shall direct the secretary  
43 to transmit the funds to the county tax assessor-collector. (Acts  
44 60th Leg., R.S., Ch. 120, Secs. 20(h), (i), (j).)

1 Source Law

2 (h) After the Board of Directors finds that the  
3 District is dissolved, the Board shall:

4 (1) determine the debt owed by the  
5 District; and

6 (2) impose on the property included in the  
7 District's tax rolls a tax that is in proportion of the  
8 debt to the property value.

9 (i) When all outstanding debts and obligations  
10 of the District are paid, the Board of Directors shall  
11 order the secretary to return the pro rata share of all  
12 unused tax money to each District taxpayer.

13 (j) A taxpayer may request that the taxpayer's  
14 share of surplus tax money be credited to the  
15 taxpayer's county taxes. If a taxpayer requests the  
16 credit, the Board of Directors shall direct the  
17 secretary to transmit the funds to the county tax  
18 assessor-collector.

19 Revised Law

20 Sec. 1002.208. REPORT; DISSOLUTION ORDER. (a) After the  
21 district has paid all its debts and has disposed of all its assets  
22 and funds as prescribed by this subchapter, the board shall file a  
23 written report with the Commissioners Court of Brazoria County  
24 summarizing the board's actions in dissolving the district.

25 (b) Not later than the 10th day after the date the  
26 Commissioners Court of Brazoria County receives the report and  
27 determines that the requirements of this subchapter have been  
28 fulfilled, the commissioners court shall enter an order dissolving  
29 the district and releasing the board from any further duty or  
30 obligation. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(k), (l).)

31 Source Law

32 (k) After the District has paid all its debts  
33 and has disposed of all its assets and funds as  
34 prescribed by this section, the Board of Directors  
35 shall file a written report with the Commissioners  
36 Court of Brazoria County setting forth a summary of the  
37 Board's actions in dissolving the District.

38 (l) Not later than the 10th day after the date it  
39 receives the report and determines that the  
40 requirements of this section have been fulfilled, the  
41 Commissioners Court of Brazoria County shall enter an  
42 order dissolving the District and releasing the Board  
43 of Directors from any further duty or obligation.

44 [Sections 1002.209-1002.250 reserved for expansion]

45 SUBCHAPTER F. DISTRICT FUNDS

46 Revised Law

47 Sec. 1002.251. DEPOSITORY. As soon as practicable after  
48 the creation election results favorably to the creation of the

1 district, the board shall by resolution designate a bank within the  
2 county as the district's depository, and all funds of the district  
3 shall be secured in the manner provided for the security of county  
4 funds. Such depository shall serve for a period of two years and  
5 until a successor has been selected. (Acts 60th Leg., R.S., Ch.  
6 120, Sec. 10.)

7 Source Law

8 Sec. 10. As soon as practicable after the  
9 creation election results favorably to the creation of  
10 said District, the Board of Directors shall by  
11 resolution designate a bank within the county as the  
12 District's depository, and all funds of said District  
13 shall be secured in the manner now provided for the  
14 security of county funds. Such depository shall serve  
15 for a period of two (2) years and until a successor has  
16 been selected.

17 Revised Law

18 Sec. 1002.252. AUTHORITY TO BORROW MONEY;  
19 SECURITY. (a) The board may borrow money for district  
20 obligations.

21 (b) To secure a loan, the board may pledge:

22 (1) revenue of the district that is not pledged to pay  
23 the district's bonded indebtedness;

24 (2) taxes to be imposed by the district in the next  
25 12-month period that are not pledged to pay the principal of or  
26 interest on district bonds; or

27 (3) district bonds that have been authorized but not  
28 sold.

29 (c) A loan for which taxes or bonds are pledged must mature  
30 not later than the first anniversary of the date on which the loan  
31 is made. A loan for which district revenues are pledged must mature  
32 not later than the fifth anniversary of the date on which the loan  
33 is made. (Acts 60th Leg., R.S., Ch. 120, Sec. 12B.)

34 Source Law

35 Sec. 12B. (a) The Board of Directors may borrow  
36 money for District obligations.

37 (b) To secure a loan, the Board may pledge:

38 (1) revenues of the District that are not  
39 pledged to pay the bonded indebtedness of the  
40 District;

41 (2) taxes to be levied by the District in

1 the next 12-month period that are not pledged to pay  
2 the principal of or interest on District bonds; or

3 (3) District bonds that have been  
4 authorized but not sold.

5 (c) A loan for which taxes or bonds are pledged  
6 must mature not later than the first anniversary of the  
7 date on which the loan is made. A loan for which  
8 District revenues are pledged must mature not later  
9 than the fifth anniversary of the date on which the  
10 loan is made.

11 [Sections 1002.253-1002.300 reserved for expansion]

12 SUBCHAPTER G. BONDS

13 Revised Law

14 Sec. 1002.301. GENERAL OBLIGATION BONDS. (a) The board  
15 may issue and sell bonds authorized by an election in the name and  
16 on the faith and credit of the district to:

17 (1) purchase, construct, acquire, repair, or renovate  
18 buildings or improvements; and

19 (2) equip buildings or improvements for hospital  
20 purposes.

21 (b) The bonds shall be sold at the time, in the manner, and  
22 under the terms determined by the board. (Acts 60th Leg., R.S., Ch.  
23 120, Sec. 12 (part).)

24 Source Law

25 Sec. 12. The Board of Directors shall have the  
26 power and authority to issue and sell, as the  
27 obligations of such District, and in the name and upon  
28 the faith and credit of such District, bonds for the  
29 purchase, construction, acquisition, repair or  
30 renovation of buildings and improvements and equipping  
31 the same for hospital purposes and for any or all of  
32 such purposes. Said bonds shall be sold at such time  
33 or times, in such manner, at such price and on such  
34 terms as may be determined by said Board. . . .

35 Revisor's Note

36 Section 12, Chapter 120, Acts of the 60th  
37 Legislature, Regular Session, 1967, provides that the  
38 bonds will be sold "at such price" as the board  
39 determines. The revised law omits this provision as  
40 unnecessary because it duplicates Section  
41 1204.006(b), Government Code. That section provides  
42 that an issuer may sell public securities at any price  
43 and applies to bonds issued under this chapter by

1 application of Section 1204.001, Government Code.

2 Revised Law

3 Sec. 1002.302. TAXES TO PAY GENERAL OBLIGATION  
4 BONDS. (a) The board shall impose an annual ad valorem tax in an  
5 amount sufficient to create an interest and sinking fund to pay the  
6 principal of and interest on the general obligation bonds as they  
7 mature.

8 (b) The tax required by this section together with any other  
9 tax the district imposes in any year may not exceed 75 cents on the  
10 \$100 valuation of all taxable property in the district. (Acts 60th  
11 Leg., R.S., Ch. 120, Sec. 12 (part).)

12 Source Law

13 Sec. 12. . . . A sufficient annual tax shall be  
14 levied to create an interest and sinking fund to pay  
15 the interest on and principal of said bonds as same  
16 mature, providing said tax together with any other  
17 taxes levied for said District shall not exceed a rate  
18 of seventy-five cents (75¢) on the \$100 valuation of  
19 all taxable property within said District in any one  
20 year. . . .

21 Revisor's Note

22 Section 12, Chapter 120, Acts of the 60th  
23 Legislature, Regular Session, 1967, requires the  
24 district to impose an "annual tax" to pay the principal  
25 of and interest on bonds. The revised law specifies  
26 that the tax is an "ad valorem" tax because it is clear  
27 from the source law that the tax is a property tax and  
28 "ad valorem" is the term most commonly used in relation  
29 to a property tax.

30 Revised Law

31 Sec. 1002.303. GENERAL OBLIGATION BOND ELECTION. (a) The  
32 district may issue general obligation bonds only if the bonds are  
33 authorized by a majority of the voters voting in an election held  
34 for that purpose.

35 (b) The board may call the election on its own motion. The  
36 order calling the election must specify:

- 37 (1) the date of the election;

1 (2) the place or places where the election will be  
2 held;

3 (3) the names of the presiding election officers;

4 (4) the purpose for which the bonds are to be issued;

5 (5) the amount of the bonds;

6 (6) the maximum interest rate of the bonds; and

7 (7) the maximum maturity of the bonds, which may not  
8 exceed 40 years from the date of issuance.

9 (c) Notice of a bond election shall be given by publishing a  
10 substantial copy of the order calling the election in a newspaper of  
11 general circulation in the district as provided by Section  
12 4.003(a)(1), Election Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 12  
13 (part).)

14 Source Law

15 Sec. 12. . . . No bonds (except refunding  
16 bonds) shall be issued by such District until  
17 authorized by a majority vote of the duly qualified  
18 resident electors of said District voting in an  
19 election called and held for such purpose. Such  
20 election shall be called by the Board of Directors on  
21 its own motion (except as provided in Section 6), and  
22 the order calling said election shall specify the date  
23 of same, the place or places where the election shall  
24 be held, the presiding officers thereof, the purpose  
25 for which the bonds are to be issued, the amount  
26 thereof, maximum interest (not to exceed six per cent  
27 (6%) per anum), and the maximum maturity date of such  
28 bonds (not to exceed forty (40) years from their date  
29 or dates of issuance). Notice of said election shall  
30 be given by publishing a substantial copy of the order  
31 calling the election in a newspaper of general  
32 circulation within the area of such District as  
33 provided by Section 4.003(a)(1), Election Code. . . .

34 Revisor's Note

35 (1) Section 12, Chapter 120, Acts of the 60th  
36 Legislature, Regular Session, 1967, provides that  
37 "[n]o bonds (except refunding bonds)" may be issued  
38 without an election. This provision is not accurate  
39 because Sections 12A(d) and (e), Chapter 120, Acts of  
40 the 60th Legislature, Regular Session, 1967, revised  
41 as Section 1002.306, authorize the district to issue  
42 revenue bonds without an election. Therefore, the  
43 revised law substitutes the reference to the

1 requirement of an election before issuance of general  
2 obligation bonds.

3 (2) Section 12, Chapter 120, Acts of the 60th  
4 Legislature, Regular Session, 1967, refers to a  
5 majority vote of the "qualified resident electors of  
6 said District." The revised law omits the quoted  
7 language for the reason stated in the revisor's note to  
8 Section 1002.201.

9 (3) Section 12, Chapter 120, Acts of the 60th  
10 Legislature, Regular Session, 1967, provides that the  
11 board shall call an election on its own motion "except  
12 as provided in Section 6." Section 6 authorizes the  
13 district to hold a bond election in conjunction with  
14 the election to create the district. Therefore, the  
15 revised law omits the quoted language as executed.

16 (4) Section 12, Chapter 120, Acts of the 60th  
17 Legislature, Regular Session, 1967, provides that the  
18 ballot proposition must include the maximum interest  
19 rate "not to exceed six per cent (6%) per annum." The  
20 revised law omits the quoted language because it has  
21 been superseded by the enactment of the maximum  
22 interest rate provision found in Section 1204.006,  
23 Government Code. That section reflects the 1981  
24 amendment of Chapter 3, Acts of the 61st Legislature,  
25 Regular Session, 1969 (Article 717k-2, Vernon's Texas  
26 Civil Statutes, now Chapter 1204, Government Code), by  
27 Section 1, Chapter 61, Acts of the 67th Legislature,  
28 Regular Session, 1981, and permits a public agency,  
29 including a hospital district, to issue public  
30 securities at any net effective interest rate of 15  
31 percent or less. Section 1204.006, Government Code,  
32 applies to bonds issued under this chapter by  
33 application of Section 1204.001, Government Code.

1 Revised Law

2 Sec. 1002.304. EXECUTION OF GENERAL OBLIGATION BONDS. The  
3 board president shall execute the general obligation bonds in the  
4 name of the district. The board secretary shall countersign the  
5 bonds. (Acts 60th Leg., R.S., Ch. 120, Sec. 12 (part).)

6 Source Law

7 Sec. 12. . . . Such bonds shall be executed in  
8 the name of the District and on its behalf by the  
9 president of the Board of Directors, countersigned by  
10 the secretary of said Board, and . . . .

11 Revisor's Note

12 (1) Section 12, Chapter 120, Acts of the 60th  
13 Legislature, Regular Session, 1967, provides that the  
14 bonds are subject to the law governing counties that  
15 relates to bond approval by the attorney general and  
16 registration of the bonds by the comptroller. Section  
17 12 also provides that after approval and registration  
18 the bonds are "incontestable for any cause." The  
19 revised law omits these provisions as superseded by  
20 Chapter 1202, Government Code (enacted as Chapter 53,  
21 Acts of the 70th Legislature, 2nd Called Session,  
22 1987). Section 1202.003(a), Government Code, requires  
23 that bonds be submitted to the attorney general.  
24 Section 1202.003(b), Government Code, provides for  
25 approval of the bonds by the attorney general and  
26 requires the attorney general to submit the approved  
27 bonds to the comptroller for registration. Section  
28 1202.005, Government Code, requires registration of  
29 the bonds by the comptroller. Section 1202.006,  
30 Government Code, provides that after approval and  
31 registration, the bonds are incontestable and binding  
32 obligations. Chapter 1202, Government Code, applies  
33 to bonds issued under this chapter by application of  
34 Section 1202.001, Government Code. The omitted law  
35 reads:

1                   Sec. 12. . . . shall be subject to  
2                   the same requirements in the manner of  
3                   approval thereof by the Attorney General of  
4                   the State of Texas and the registration  
5                   thereof by the Comptroller of Public  
6                   Accounts of the State of Texas as are by law  
7                   provided for such approval and registration  
8                   of bonds of counties of this state. Upon  
9                   the approval of such bonds by the Attorney  
10                  General of Texas and registration by the  
11                  Comptroller, the same shall be  
12                  incontestable for any cause. . . .

13                  (2) Section 12, Chapter 120, Acts of the 60th  
14                  Legislature, Regular Session, 1967, provides that  
15                  bonds may be made optional for redemption before  
16                  maturity. The revised law omits this provision as  
17                  unnecessary because Section 1201.021, Government  
18                  Code, provides that a public security may be issued as  
19                  redeemable before maturity at one or more specified  
20                  times. Section 1201.021, Government Code, applies to  
21                  bonds issued under this chapter by application of  
22                  Section 1201.001, Government Code. The omitted law  
23                  reads:

24                         Sec. 12. . . . Said bonds may be made  
25                         optional for redemption prior to their  
26                         maturity date at the discretion of the Board  
27                         of Directors. . . .

28                  (3) Section 12, Chapter 120, Acts of the 60th  
29                  Legislature, Regular Session, 1967, authorizes the  
30                  district to issue refunding bonds for bonds issued  
31                  under that section. The revised law omits this  
32                  provision as unnecessary because Chapter 1207,  
33                  Government Code, provides general authority for an  
34                  issuer, including a hospital district, to issue  
35                  refunding securities. Section 12 also provides that  
36                  refunding bonds issued under Section 12 must bear  
37                  interest at the same or lower rate than the bonds being  
38                  refunded unless the refunding will result in a lower  
39                  total amount of interest paid. The revised law omits  
40                  this provision for the reason stated in Revisor's Note  
41                  (4) to Section 1002.303. The omitted law reads:

1           Sec. 12. . . . The District may,  
2 without election, issue bonds to refund  
3 and/or pay off any validly issued and  
4 outstanding District bonds, provided that  
5 such refunding bonds shall bear interest at  
6 the same rate or at a lesser rate than the  
7 bonds being refunded, unless it be shown  
8 mathematically that a savings will result  
9 in the total amount of interest to be paid.

10                           Revised Law

11           Sec. 1002.305. INVESTMENT OF GENERAL OBLIGATION BOND  
12 PROCEEDS. Any part of the proceeds of general obligation bonds,  
13 until they are needed for the purpose for which the bonds were  
14 issued, may be invested in securities of the United States or  
15 placed on time deposit or in certificates of deposit. (Acts 60th  
16 Leg., R.S., Ch. 120, Sec. 12 (part).)

17                           Source Law

18           Sec. 12. . . . Until such time as the bond  
19 proceeds are needed to carry out the bond purpose, such  
20 proceeds may be invested in securities of the United  
21 States Government and Federal Agencies or may be  
22 placed on time deposit or in Certificates of Deposit,  
23 any or all. . . .

24                           Revisor's Note

25           Section 12, Chapter 120, Acts of the 60th  
26 Legislature, Regular Session, 1967, refers to  
27 securities of the United States "Federal Agencies."  
28 The revised law omits the references to "Federal  
29 Agencies" because under Section 311.005(9),  
30 Government Code (Code Construction Act), "United  
31 States" includes an agency of the United States.

32                           Revised Law

33           Sec. 1002.306. REVENUE BONDS. (a) The board may issue  
34 revenue bonds to:

35                   (1) purchase, construct, repair, renovate, or acquire  
36 buildings, sites, or improvements and equip buildings, sites, or  
37 improvements for hospitals and the hospital system; and

38                   (2) establish and maintain office facilities for staff  
39 physicians under Section 1002.058.

40                   (b) The bonds must be payable from and secured by a pledge of  
41 all or part of the revenues derived from the operation of the

1 district's hospital system, including district facilities.

2 (c) Bonds issued under Subsection (a)(1) may be  
3 additionally secured by a mortgage or deed of trust lien on all or  
4 part of the district property.

5 (d) Bonds issued under Subsection (a)(1) must be issued in  
6 the manner provided by Sections 264.042, 264.043, 264.046, 264.047,  
7 264.048, and 264.049, Health and Safety Code.

8 (e) Bonds issued under Subsection (a)(2) must be issued in  
9 the manner provided by Sections 264.042-264.047(a), 264.048, and  
10 264.049, Health and Safety Code. (Acts 60th Leg., R.S., Ch. 120,  
11 Secs. 12A(d), (e).)

#### 12 Source Law

13 (d) The Board may issue revenue and refunding  
14 bonds to establish and maintain office facilities for  
15 staff physicians under this section. The bonds must be  
16 payable from and secured by a pledge of all or part of  
17 the district revenues from the operation of district  
18 facilities. The bonds must be issued in accordance  
19 with Sections 264.042-264.047(a), 264.048, and  
20 264.049, Health and Safety Code, and with the effect  
21 specified by Section 264.050, Health and Safety Code.

22 (e) The Board of Directors may issue revenue  
23 bonds for the purpose of purchasing, constructing,  
24 repairing, renovating, or acquiring buildings, sites,  
25 or improvements and for the purpose of equipping  
26 buildings, sites, and improvements for hospitals and  
27 the hospital system. The bonds must be payable from  
28 and secured by a pledge of all or part of the revenues  
29 derived from the operation of the District's hospital  
30 system. The bonds may be additionally secured by a  
31 mortgage or deed of trust on all or part of the  
32 District property. The District shall issue revenue  
33 bonds in accordance with Sections 264.042, 264.043,  
34 264.046, 264.047, 264.048, and 264.049, Health and  
35 Safety Code.

#### 36 Revisor's Note

37 (1) Section 12A(d), Chapter 120, Acts of the  
38 60th Legislature, Regular Session, 1967, refers to the  
39 authority to issue revenue and refunding bonds. The  
40 revised law omits the reference to refunding bonds for  
41 the reason stated in Revisor's Note (3) to Section  
42 1002.304.

43 (2) Section 12A(d), Chapter 120, Acts of the  
44 60th Legislature, Regular Session, 1967, provides that  
45 the bonds must be issued "with the effect specified by

1 Section 264.050, Health and Safety Code." The revised  
2 law omits this provision as unnecessary. Section  
3 264.050, Health and Safety Code (originally enacted in  
4 1963 and not subsequently amended substantively),  
5 provides that revenue bonds are legal and authorized  
6 investments for a bank, savings bank, trust company,  
7 savings and loan association, insurance company, or  
8 sinking fund of a political corporation or subdivision  
9 of the state, including a municipality, county, or  
10 school district. As to several of the entities listed,  
11 Section 264.050, Health and Safety Code, has been  
12 superseded and impliedly repealed. Investments in  
13 securities by banks are regulated by Section 34.101,  
14 Finance Code (enacted in 1995 as Section 5.101, Texas  
15 Banking Act (Article 342-5.101, Vernon's Texas Civil  
16 Statutes)). Investments in securities by savings  
17 banks are regulated by Section 93.001(c)(10), Finance  
18 Code (enacted in 1993 as Section 7.15(10), Texas  
19 Savings Bank Act (Article 489e, Vernon's Texas Civil  
20 Statutes)). Investments in securities by trust  
21 companies are regulated by Section 184.101, Finance  
22 Code (enacted in 1997 as Section 5.101, Texas Trust  
23 Company Act (Article 342a-5.101, Vernon's Texas Civil  
24 Statutes)). Investments in securities by savings and  
25 loan associations are regulated by Section 63.002,  
26 Finance Code (last amended in 1985 as Section 5.05,  
27 Texas Savings and Loan Act (Article 852a, Vernon's  
28 Texas Civil Statutes)), and by Section 64.001, Finance  
29 Code (last amended in 1989 as Section 5.01, Texas  
30 Savings and Loan Act (Article 852a, Vernon's Texas  
31 Civil Statutes)). As to the other remaining entities  
32 listed, Section 264.050, Health and Safety Code, is  
33 superseded by Section 1201.041, Government Code.  
34 Section 1201.041, Government Code, applies to bonds

1 issued under this chapter by application of Section  
2 1201.002, Government Code.

3 Revisor's Note  
4 (End of Subchapter)

5 (1) Section 14, Chapter 120, Acts of the 60th  
6 Legislature, Regular Session, 1967, provides that  
7 bonds issued under that chapter are legal and  
8 authorized investments for certain entities. For the  
9 reasons stated in Revisor's Note (2) to Section  
10 1002.306, the revised law omits the reference to  
11 banks, savings banks, trust companies, building and  
12 loan associations (now called savings and loan  
13 associations), insurance companies, fiduciaries,  
14 trusts, and the sinking funds of cities, towns,  
15 villages, counties, school districts, or other  
16 political corporations or subdivisions of this state.  
17 The revised law omits the reference to sinking funds of  
18 this state because it has been superseded by Section  
19 404.024, Government Code (enacted in 1985 as Section  
20 2.014, Treasury Act (Article 4393-1, Vernon's Texas  
21 Civil Statutes)), which governs the investment of  
22 state funds. Section 404.024(b)(10), Government Code,  
23 authorizes the investment of state funds in  
24 obligations of political subdivisions, including  
25 hospital districts. The omitted law reads:

26 Sec. 14. All bonds issued by said  
27 District shall be and are hereby declared to  
28 be legal and authorized investments for  
29 banks, savings banks, trust companies,  
30 building and loan associations, insurance  
31 companies, fiduciaries, trustees, and for  
32 the sinking funds of the State of Texas,  
33 cities, towns, villages, counties, school  
34 districts or other political corporations  
35 or subdivisions of the State of Texas;  
36 and . . . .

37 (2) Section 14, Chapter 120, Acts of the 60th  
38 Legislature, Regular Session, 1967, provides that  
39 bonds issued under that chapter may secure certain

1 deposits. Although Section 14 does not specifically  
2 mention the deposits the bonds are eligible to secure,  
3 the only deposits they could secure would be deposits  
4 of public funds of the state or public agencies of the  
5 state. As such, the revised law omits the provision as  
6 impliedly repealed by Section 404.0221, Government  
7 Code (enacted in 1995), which lists eligible  
8 collateral for deposits of state funds by the  
9 comptroller, and by Chapter 2257, Government Code  
10 (enacted in 1989 as Article 2529d, Vernon's Texas Civil  
11 Statutes), which governs eligible collateral for  
12 deposits of funds of other public agencies. The  
13 omitted law reads:

14           Sec. 14. . . . such bonds shall be  
15           lawful and sufficient security for deposits  
16           to the extent of their face value when  
17           accompanied by all unmatured coupons  
18           pertinent thereto.

19           [Sections 1002.307-1002.350 reserved for expansion]

20                                   SUBCHAPTER H. TAXES

21   Revised Law

22           Sec. 1002.351. IMPOSITION OF TAXES. (a) The board shall  
23 impose on all property subject to district taxation, for the  
24 benefit of the district, a tax at a rate not to exceed 75 cents on  
25 each \$100 assessed value of the property according to the most  
26 recent certified appraisal roll of the district.

27           (b) The board shall impose the tax to:

28                           (1) meet the requirements of the district's bonds;

29                           (2) provide for the district's maintenance and  
30 operating expenses;

31                           (3) make improvements and additions to the district's  
32 hospitals or hospital system; and

33                           (4) acquire necessary sites for hospitals or the  
34 hospital system by gift, purchase, lease, or condemnation. (Acts  
35 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

1 Source Law

2 Sec. 8. Upon the creation of such District, the  
3 Board of Directors shall have the power and authority,  
4 and it shall be their duty, to levy on all property  
5 subject to District taxation for the benefit of the  
6 District, a tax at a rate not to exceed seventy-five  
7 cents (75¢) on the \$100 valuation of all taxable  
8 property within such District, for the purposes of:  
9 (1) meeting the requirements of the District's bonds;  
10 (2) providing for the District's maintenance and  
11 operating expenses; and (3) making improvements and  
12 additions to its hospitals or hospital system, and for  
13 the acquisition of the necessary sites therefor, by  
14 gift, purchase, lease or condemnation. . . .

15 Revisor's Note

16 (1) Section 8, Chapter 120, Acts of the 60th  
17 Legislature, Regular Session, 1967, provides that  
18 "[u]pon the creation," the board shall impose a  
19 property tax. The revised law omits the reference to  
20 the board's creation as executed.

21 (2) Section 8, Chapter 120, Acts of the 60th  
22 Legislature, Regular Session, 1967, refers to a tax  
23 rate based on the "\$100 valuation" of all taxable  
24 property in the district. The revised law substitutes  
25 for the quoted phrase a reference to the "\$100 assessed  
26 value . . . according to the most recent certified tax  
27 appraisal roll" of the district to conform to the  
28 terminology of the Tax Code, including Section 26.01  
29 of that code, requiring the chief appraiser of an  
30 appraisal district to certify to the tax assessor of  
31 each taxing unit that has property in the appraisal  
32 district an appraisal roll that lists the properties  
33 taxable by that taxing unit and the value of those  
34 properties.

35 Revised Law

36 Sec. 1002.352. TAX ASSESSOR-COLLECTOR. The board may  
37 provide for the appointment of a tax assessor-collector for the  
38 district or may contract for the assessment and collection of taxes  
39 as provided by the Tax Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 9  
40 (part).)

1   Source Law

2             Sec. 9. . . . The Board of Directors may provide  
3 for the appointment of a tax assessor-collector for  
4 the District or may contract for the assessment and  
5 collection of taxes as provided by the Tax Code.

6   Revisor's Note

7             Section 9, Acts of the 60th Legislature, Regular  
8 Session, 1967, provides that the Tax Code governs the  
9 appraisal, assessment, and collection of district  
10 taxes. The revised law omits this provision as  
11 unnecessary because Section 1.02, Tax Code, requires  
12 all taxing units of government to administer the  
13 assessment and collection of ad valorem taxes in  
14 conformity with Title 1, Tax Code. The omitted law  
15 reads:

16                         Sec. 9. The Tax Code governs the  
17 appraisal, assessment, and collection of  
18 District taxes. . . .

19   Revisor's Note  
20   (End of Chapter)

21             (1) Section 17, Chapter 120, Acts of the 60th  
22 Legislature, Regular Session, 1967, and Section 3,  
23 Chapter 271, Acts of the 62nd Legislature, Regular  
24 Session, 1971, each provide that the acts are  
25 severable. The revised law omits those provisions  
26 because they duplicate Section 311.032, Government  
27 Code (Code Construction Act), applicable to the  
28 revised law, which provides that a provision of a  
29 statute is severable from each other provision of the  
30 statute that can be given effect. The omitted law  
31 reads:

32   [Acts 60th Leg., R.S., Ch. 120]

33                         Sec. 17. . . . If any provision of  
34 this Act should be invalid, such fact shall  
35 not affect the authorization for the  
36 creation of the District or the validity of  
37 any other provisions of this Act, and the  
38 Legislature hereby declares that it would  
39 have created the District and enacted the  
40 valid provisions of this Act  
41 notwithstanding the invalidity of any other  
42 provision or provisions hereof.

1 [Acts 62nd Leg., R.S., Ch. 271]  
2 Sec. 3. If any section, sentence,  
3 clause, or phrase of this Act is for any  
4 reason held to be unconstitutional, such  
5 invalid portion shall not affect the  
6 validity of the remaining portions of this  
7 Act. The Legislature hereby declares that  
8 it would have passed the valid portions of  
9 this Act irrespective of the fact that any  
10 one or more portions be declared  
11 unconstitutional.

12 (2) Section 18, Chapter 120, Acts of the 60th  
13 Legislature, Regular Session, 1967, and Section 2,  
14 Chapter 271, Acts of the 62nd Legislature, Regular  
15 Session, 1971, provide that public notice of enactment  
16 of the statutes was provided in a manner that satisfies  
17 the requirements of the Texas Constitution. The  
18 revised law omits these provisions as executed. The  
19 omitted law reads:

20 [Acts 60th Leg., R.S., Ch. 120]  
21 Sec. 18. Proof of publication of the  
22 Constitutional Notice required in the  
23 enactment hereof under the provisions of  
24 Section 9 of Article IX of the Texas  
25 Constitution has been made in the manner and  
26 form provided by law pertaining to the  
27 enactment of Local and Special Laws and is  
28 hereby found and declared to be proper and  
29 sufficient to satisfy such requirements.

30 [Acts 62nd Leg., R.S., Ch. 271]  
31 Sec. 2. Proof of publication of the  
32 notice required in the enactment hereof  
33 under the provisions of Section 9 of Article  
34 IX of the Texas Constitution has been made  
35 in the manner and form provided by law  
36 pertaining to the enactment of local and  
37 special laws and is hereby found and  
38 declared to be proper and sufficient to  
39 satisfy such requirements.

40 CHAPTER 1003. BOOKER HOSPITAL DISTRICT

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8 CHAPTER 1003. BOOKER HOSPITAL DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Revised Law

11 Sec. 1003.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "Director" means a member of the board.

15 (3) "District" means the Booker Hospital District.

16 (New.)

17 Revisor's Note

18 The definitions of "board," "director," and  
19 "district" are added for drafting convenience, to  
20 avoid frequent, unnecessary repetition of the  
21 substance of the definitions, and to ensure consistent  
22 use of terminology throughout the chapter.

23 Revised Law

24 Sec. 1003.002. AUTHORITY FOR OPERATION. The Booker  
25 Hospital District operates under the authority of Section 9,  
26 Article IX, Texas Constitution. (Acts 58th Leg., R.S., Ch. 411,  
27 Sec. 1 (part).)

28 Source Law

29 Sec. 1. Pursuant to the provisions of Section 9  
30 of Article IX of the Constitution of the State of  
31 Texas, this Act shall be operative so as to authorize  
32 the creation, establishment, maintenance, and  
33 operation of the Booker Hospital District, . . . .

34 Revisor's Note

35 (1) Section 1, Chapter 411, Acts of the 58th  
36 Legislature, Regular Session, 1963, authorizes the

1 "creation, establishment, maintenance, and operation  
2 of the Booker Hospital District." The revised law  
3 omits "establishment" and "creation" as executed. The  
4 revised law omits "maintenance" because the meaning of  
5 that term is included in the meaning of "operation."

6 (2) Section 2, Chapter 411, Acts of the 58th  
7 Legislature, Regular Session, 1963, provides that the  
8 district may be created as a hospital district after an  
9 election. The revised law omits this provision as  
10 executed because the election has been held and the  
11 district is created. The omitted law reads:

12 Sec. 2. The area described in Section  
13 1 of this Act may be constituted a hospital  
14 district as hereinafter set out and . . .  
15 provided, however, that such Hospital  
16 District shall not be created unless and  
17 until an election for such purpose is held  
18 within the described area.

19 Revised Law

20 Sec. 1003.003. POLITICAL SUBDIVISION. The district is a  
21 political subdivision of this state. (Acts 58th Leg., R.S., Ch.  
22 411, Sec. 16 (part).)

23 Source Law

24 Sec. 16. All Hospital Districts created under  
25 the provisions of this Act shall be and are declared to  
26 be political subdivisions of the State of Texas,  
27 and . . . .

28 Revisor's Note

29 Section 16, Chapter 411, Acts of the 58th  
30 Legislature, Regular Session, 1963, refers to "[a]ll  
31 Hospital Districts" created under the provisions of  
32 that Act. Throughout this chapter, the revised law  
33 substitutes "the district" for the quoted language,  
34 because in the context of the act, it is clear that  
35 only one Booker Hospital District may be created in the  
36 district's boundaries.

37 Revised Law

38 Sec. 1003.004. DISTRICT TERRITORY. The district is

1 composed of the territory described by Section 1, Chapter 411, Acts  
2 of the 58th Legislature, Regular Session, 1963. (New.)

3 Revisor's Note

4 The revision of the law governing the district  
5 does not revise the statutory language describing the  
6 territory of the district to avoid the lengthy  
7 recitation of the description. For the reader's  
8 convenience, the revised law adds a reference to the  
9 statutory description of the district's territory.

10 Revised Law

11 Sec. 1003.005. CORRECTION OF INVALID PROCEDURE. If a court  
12 holds that any procedure under this chapter violates the  
13 constitution of this state or of the United States, the district by  
14 resolution may provide an alternative procedure that conforms with  
15 the constitution. (Acts 58th Leg., R.S., Ch. 411, Sec. 17 (part);  
16 Acts 63rd Leg., R.S., Ch. 541, Sec. 5 (part).)

17 Source Law

18 [Acts 58th Leg., R.S., Ch. 411]

19 Sec. 17. . . . Where any procedure hereunder  
20 may be held by any court to be violative of either of  
21 such Constitutions, the District shall have the power  
22 by resolution to provide an alternative procedure  
23 conformable with such Constitutions. . . .

24 [Acts 63rd Leg., R.S., Ch. 541]

25 Sec. 5. . . . Where any procedure hereunder may  
26 be held by any court to be violative of either of such  
27 constitutions, the District shall have the power by  
28 resolution to provide an alternative procedure  
29 conformable with such constitutions. . . .

30 Revisor's Note

31 (1) Section 17, Chapter 411, Acts of the 58th  
32 Legislature, Regular Session, 1963, and Section 5,  
33 Chapter 541, Acts of the 63rd Legislature, Regular  
34 Session, 1973, provide that nothing in those acts  
35 violates the federal constitution or state  
36 constitution and requires that action under those acts  
37 be in compliance with the constitutions. The revised  
38 law omits the references to the federal constitution  
39 as unnecessary because, under the Supremacy Clause of

1 the United States Constitution (Clause 2, Article VI),  
2 federal law takes precedence over a state statute. The  
3 revised law also omits the reference to the Texas  
4 Constitution as unnecessary because the state cannot  
5 modify constitutional requirements by statute. The  
6 omitted law reads:

7 [Acts 58th Leg., R.S., Ch. 411]

8 Sec. 17. Nothing in this Act shall be  
9 construed to violate any provision of the  
10 Federal or State Constitutions, and all  
11 acts done under this Act shall be in such  
12 manner as will conform thereto, whether  
13 expressly provided or not. . . .

14 [Acts 63rd Leg., R.S., Ch. 541]

15 Sec. 5. Nothing in this Act shall be  
16 construed to violate any provision of the  
17 federal or state constitutions, and all  
18 acts done under this Act shall be in such  
19 manner as will conform thereto, whether  
20 expressly provided or not. . . .

21 (2) Section 17, Chapter 411, Acts of the 58th  
22 Legislature, Regular Session, 1963, and Section 5,  
23 Chapter 541, Acts of the 63rd Legislature, Regular  
24 Session, 1973, provide that those acts are severable.  
25 The revised law omits these provisions because they  
26 duplicate Section 311.032, Government Code (Code  
27 Construction Act), applicable to the revised law,  
28 which provides that a provision of a statute is  
29 severable from each other provision of the statute  
30 that can be given effect. The omitted law reads:

31 [Acts 58th Leg., R.S., Ch. 411]

32 Sec. 17. . . . If any provision of  
33 this Act should be invalid, such fact shall  
34 not affect the authorization for the  
35 creation of the District or the validity of  
36 any other provision of this Act, and the  
37 Legislature here declares that it would  
38 have created the District and enacted the  
39 valid provisions of this Act  
40 notwithstanding the invalidity of any other  
41 provision or provisions hereof.

42 [Acts 63rd Leg., R.S., Ch. 541]

43 Sec. 5. . . . If any provision of  
44 this Act should be invalid, such fact shall  
45 not affect the remainder of the provisions  
46 of this Act, and the Legislature hereby  
47 declares that it would have enacted the  
48 valid provisions of this Act

1 notwithstanding the invalidity of any other  
2 provision or provisions hereof.

3 Revisor's Note  
4 (End of Subchapter)

5 Sections 3(a), (b), (c), and (d), Chapter 411,  
6 Acts of the 58th Legislature, Regular Session, 1963,  
7 describe the election procedures required to create  
8 the district and related activities. The revised law  
9 omits these sections as executed. The omitted law  
10 reads:

11 Sec. 3. (a) Upon the petition of  
12 fifty (50) qualified taxpaying voters  
13 residing within the described area, the  
14 Commissioners Court of Lipscomb County  
15 shall order an election to be held within  
16 the proposed District to approve the  
17 creation of the proposed District and to  
18 elect the first board of directors thereof.  
19 The Commissioners Court shall order such  
20 election within ten (10) days of the receipt  
21 of petitions and the election shall be held  
22 within said precincts within thirty (30)  
23 days after it is ordered.

24 (b) Upon and after the ordering of  
25 the election aforesaid any resident of the  
26 District twenty-one (21) years of age or  
27 over and who owns land in the District  
28 subject to taxation, and is otherwise  
29 qualified, may file application with the  
30 Commissioners Court of Lipscomb County,  
31 Texas, to have his or her name placed on the  
32 ballot for election to the board of  
33 directors of said District. Such  
34 applications shall be received by said  
35 Court up to ten (10) days preceding the date  
36 of the election.

37 (c) At the election there shall be  
38 submitted to the resident qualified  
39 property taxpaying voters within the  
40 boundaries of the area described in Section  
41 1 of this Act who have duly rendered their  
42 property for taxation upon the tax rolls of  
43 the County, the proposition of whether or  
44 not the District shall be created within  
45 said boundaries; and a majority of the  
46 resident qualified property taxpaying  
47 voters voting at said election who have duly  
48 rendered their property for taxation upon  
49 the rolls of said precincts voting in favor  
50 of the proposition shall be necessary to  
51 create the District.

52 The ballots shall have printed  
53 thereon:

54 "FOR the creation of the Booker  
55 Hospital District and the levy of a tax not  
56 to exceed seventy-five cents (75¢) on the  
57 One Hundred Dollar (\$100) valuation.

58 "AGAINST the creation of the Booker  
59 Hospital District and the levy of a tax not  
60 to exceed seventy-five cents (75¢) on the

1 One Hundred Dollar (\$100) valuation."

2 There shall also be submitted to the  
3 resident qualified property taxpaying  
4 voters at such election a separate ballot  
5 containing the names of all of the qualified  
6 persons who shall file applications to have  
7 their names placed on the ballot for  
8 election to the board of directors. Each  
9 voter shall vote for nine (9) persons. The  
10 nine (9) persons receiving the highest  
11 number of votes shall constitute the first  
12 board of directors of said District. The  
13 three (3) receiving the highest number of  
14 votes shall serve for terms of six (6)  
15 years, the three (3) receiving the next  
16 highest number of votes shall serve for  
17 terms of four (4) years, and the three (3)  
18 receiving the next highest number of votes  
19 shall serve for terms of two (2) years.

20 Notice of such election stating the  
21 time of election, and the polling place and  
22 proposition and matters to be voted on shall  
23 be posted in a newspaper in general  
24 circulation in Lipscomb County, Texas, once  
25 a week for two (2) consecutive weeks, the  
26 first notice not being more than twenty (20)  
27 days prior to the date of election.

28 (d) The results of said election  
29 shall be filed in the county clerk's office  
30 of Lipscomb County, Texas, within ten (10)  
31 days thereafter. And if the majority of the  
32 resident property taxpaying voters voting  
33 at said election who have duly rendered  
34 their property for taxation upon the tax  
35 rolls of said District vote for the creation  
36 of the District, then within ten (10) days  
37 of the filing of said results the  
38 Commissioners Court shall order the  
39 District created and shall at such time  
40 declare those persons elected as directors  
41 to be the board of directors of the District  
42 and such board of directors shall manage and  
43 operate the business of the District and  
44 shall serve as directors until their  
45 respective successors are elected and  
46 qualified.

47 [Sections 1003.006-1003.050 reserved for expansion]

48 SUBCHAPTER B. DISTRICT ADMINISTRATION

49 Revised Law

50 Sec. 1003.051. BOARD. The district is governed by a board  
51 of seven directors. (Acts 58th Leg., R.S., Ch. 411, Sec. 3(e)  
52 (part).)

53 Source Law

54 (e) The District is governed by a board of seven  
55 directors . . . .

56 Revised Law

57 Sec. 1003.052. TERM; ELECTION. (a) Unless a four-year

1 term is established under Section 285.081, Health and Safety Code:

2 (1) directors serve staggered terms of two years;

3 (2) three directors shall be elected in odd-numbered  
4 years and four directors shall be elected in even-numbered years;  
5 and

6 (3) a directors election shall be held on the first  
7 Saturday in May of each year to elect the appropriate number of  
8 directors.

9 (b) Directors are elected at large. (Acts 58th Leg., R.S.,  
10 Ch. 411, Secs. 3(e) (part), 3A(a).)

11 Source Law

12 [Sec. 3]

13 (e) . . . [a board of seven directors] to be  
14 elected at large from the entire District. The term of  
15 a director shall be two years, and three directors  
16 shall be elected in odd numbered years and four shall  
17 be elected in even numbered years.

18 Sec. 3A. (a) A director's election shall be held  
19 on the first Saturday in May in each year for the  
20 election of the appropriate number of successor  
21 directors.

22 Revisor's Note

23 Section 3(e), Chapter 411, Acts of the 58th  
24 Legislature, Regular Session, 1963, provides that  
25 directors serve for two years. Section 285.081,  
26 Health and Safety Code, provides a mechanism by which  
27 the governing board of a hospital district may, on its  
28 own motion, order that the members are to be elected in  
29 even-numbered years to serve staggered four-year  
30 terms. The revised law is drafted accordingly and adds  
31 a reference to this provision for the convenience of  
32 the reader.

33 Revised Law

34 Sec. 1003.053. VACANCY. If a vacancy occurs in the office  
35 of director, the remaining directors shall appoint a director for  
36 the remainder of the unexpired term. (Acts 58th Leg., R.S., Ch.  
37 411, Sec. 3A(b).)

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Source Law

(b) A vacancy in the office of director shall be filled for the unexpired term by appointment by the remaining directors.

Revised Law

Sec. 1003.054. OFFICERS. The board shall elect a president and a secretary from among the directors to serve until the next directors election. (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

Source Law

Sec. 4. The board of directors of the District shall elect a president and secretary from the members to serve until the next succeeding directors' election; . . . .

Revised Law

Sec. 1003.055. COMPENSATION; EXPENSES. A director serves without compensation but may be reimbursed for actual expenses incurred in the performance of official duties on the approval of the expenses by the entire board. (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

Source Law

Sec. 4. . . .  
The board of directors shall serve without compensation but may be reimbursed for actual expenses incurred in the performance of their official duties upon the approval of such expenses by the entire board of directors.

Revised Law

Sec. 1003.056. EMPLOYEES. The board may employ a general manager, attorney, financial advisor, bookkeeper, or architect. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

Source Law

Sec. 7. [The board of directors of such District] . . . may employ a general manager, attorney, financial advisor, bookkeeper and architect. . . .

Revised Law

Sec. 1003.057. MAINTENANCE OF RECORDS; PUBLIC INSPECTION. All district records, including books, accounts, notices, minutes, and all other matters of the district and the operation of its facilities, shall be:

- (1) maintained at the district office; and

1 (2) open to public inspection at the district office  
2 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
3 (part).)

4 Source Law

5 Sec. 7. . . .

6 All books, records, accounts, notices and minutes  
7 and all other matters of the District and the operation  
8 of its facilities shall, except as herein provided, be  
9 maintained at the office of the District and there be  
10 open to public inspection at all reasonable hours.  
11 . . .

12 Revisor's Note

13 Section 7, Chapter 411, Acts of the 58th  
14 Legislature, Regular Session, 1963, states that  
15 records shall be maintained at the district office  
16 "except as herein provided." The revised law omits the  
17 quoted language as unnecessary because the act does  
18 not provide an exception.

19 Revised Law

20 Sec. 1003.058. SEAL. The board may adopt a seal for the  
21 district. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

22 Source Law

23 Sec. 7. [The board of directors of such  
24 District] . . . shall have the power to adopt a seal  
25 for such District; and . . . .

26 Revisor's Note  
27 (End of Subchapter)

28 Sections 2(b), (c), and (d), Chapter 95, Acts of  
29 the 76th Legislature, Regular Session, 1999, provide  
30 procedures and related laws regarding a board of  
31 directors election for May 2000. The revised law omits  
32 these provisions as executed. The omitted law reads:

33 (b) At the election for directors of  
34 the Booker Hospital District under this Act  
35 to be held on the first May uniform election  
36 date, seven directors shall be elected. The  
37 four directors who receive the four highest  
38 number of total votes cast at the election  
39 shall serve two-year terms and the three  
40 directors who receive the fifth-highest,  
41 sixth-highest, and seventh-highest number  
42 of total votes cast at the election shall  
43 serve one-year terms.

44 (c) The board of directors of the

1 Booker Hospital District, as it existed  
2 immediately before the effective date of  
3 this Act, continues as the district's  
4 governing body until a majority of the  
5 directors elected on the first May uniform  
6 election date take office, and the former  
7 law is continued in effect for this purpose.  
8 The terms of the directors serving  
9 immediately before the effective date of  
10 this Act expire when a majority of the  
11 directors elected on the first May uniform  
12 election date take office.

13 (d) Service on the board of directors  
14 of the Booker Hospital District before the  
15 first May uniform election date does not  
16 make a person ineligible for election as a  
17 director of the district on the first May  
18 uniform election date or a subsequent  
19 election date.

20 [Sections 1003.059-1003.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Revised Law

23 Sec. 1003.101. DISTRICT RESPONSIBILITY. The district has  
24 full responsibility for the operation of all hospital facilities  
25 for providing hospital care for the district's needy residents.  
26 (Acts 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

27 Source Law

28 Sec. 12. . . . The said hospital district  
29 shall assume full responsibility for the operation of  
30 all hospital facilities for the furnishing of hospital  
31 care for its needy inhabitants.

32 Revisor's Note

33 Section 12, Chapter 411, Acts of the 58th  
34 Legislature, Regular Session, 1963, provides that the  
35 district "shall assume" full responsibility for the  
36 operation of the district to provide hospital care for  
37 the district's needy residents. The revised law  
38 substitutes "has" for the quoted language because the  
39 obligation to assume the responsibility is executed.

40 Revised Law

41 Sec. 1003.102. LIMITATION ON CERTAIN POLITICAL  
42 SUBDIVISIONS. A political subdivision within the district may not  
43 impose taxes or issue bonds or other obligations for hospital  
44 purposes or to provide medical care for district residents. (Acts  
45 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

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Source Law

Sec. 12. No municipality or political subdivision within the boundaries of the district shall have the power to levy taxes or issue bonds or other obligations for hospital purposes or for providing medical care for inhabitants of the district. . . .

Revisor's Note

Section 12, Chapter 411, Acts of the 58th Legislature, Regular Session, 1963, provides that a "municipality or political subdivision" within the district may not impose taxes or issue bonds or other obligations for hospital purposes. The revised law omits "municipality" because it is included within the meaning of "political subdivision."

Revised Law

Sec. 1003.103. MANAGEMENT AND CONTROL. The board has the complete management and control of all the business of the district, including the power to negotiate and contract with any person to purchase or lease land, to construct and equip a hospital system, to operate and maintain the hospital, and to negotiate and contract with other political subdivisions of the state or private individuals, associations, or corporations for those purposes. (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

Source Law

Sec. 4. . . . the board of directors shall have the full management and control of all business of the District, including but not limited to the power and authority to negotiate and contract with any person or body, public or private, to purchase or lease land, to construct and equip a hospital system, and to operate and maintain the hospital, and to negotiate and contract with other political subdivisions of the State or private individuals, associations or corporations for such purposes. . . .

Revisor's Note

(1) Section 4, Chapter 411, Acts of the 58th Legislature, Regular Session, 1963, refers to "including but not limited to." The revised law omits "but not limited to" as unnecessary because Section 311.005(13), Government Code (Code Construction Act),

1 provides that "includes" and "including" are terms of  
2 enlargement and not of limitation and do not create a  
3 presumption that components not expressed are  
4 excluded.

5 (2) Section 4, Chapter 411, Acts of the 58th  
6 Legislature, Regular Session, 1963, provides that the  
7 board may contract with "any person or body, public or  
8 private." The revised law omits "body, public or  
9 private" because under Section 311.005(2), Government  
10 Code (Code Construction Act), "person" includes a  
11 public or private body.

12 Revised Law

13 Sec. 1003.104. HOSPITAL SYSTEM. The district may  
14 establish a hospital system to provide medical and hospital care to  
15 persons residing in the district. (Acts 58th Leg., R.S., Ch. 411,  
16 Sec. 2 (part).)

17 Source Law

18 Sec. 2. [The area described in Section 1 of this  
19 Act may be constituted a hospital district as  
20 hereinafter set out and] may provide for establishment  
21 of a hospital system to furnish medical and hospital  
22 care to persons residing in said Hospital  
23 District; . . . .

24 Revised Law

25 Sec. 1003.105. RULES. (a) The board may adopt rules  
26 governing the operation of the district, including district  
27 facilities.

28 (b) On approval by the board, the rules may be published in  
29 booklet form at district expense and made available to any taxpayer  
30 on request. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

31 Source Law

32 Sec. 7. . . . .  
33 The board of directors is specifically empowered  
34 to adopt rules and regulations governing the operation  
35 of such District and its facilities which rules and  
36 regulations shall supplement but shall not contravene  
37 any of the provisions of this Act. Such rules and  
38 regulations may, upon approval of the board of  
39 directors, be published in booklet or pamphlet form at  
40 the expense of the District and may be made available  
41 to any taxpayer upon request.

1 Revisor's Note

2 (1) Section 7, Chapter 411, Acts of the 58th  
3 Legislature, Regular Session, 1963, refers to "rules  
4 and regulations." The revised law omits the reference  
5 to "regulations" because under Section 311.005(5),  
6 Government Code (Code Construction Act), a rule is  
7 defined to include a regulation.

8 (2) Section 7, Chapter 411, Acts of the 58th  
9 Legislature, Regular Session, 1963, allows the board  
10 to adopt rules and states "which rules and regulations  
11 shall supplement but shall not contravene any of the  
12 provisions of this Act." The revised law omits the  
13 quoted language as unnecessary because, under  
14 established principles of law regarding agency powers,  
15 the board is not authorized to take any action contrary  
16 to the laws of this state.

17 (3) Section 7, Chapter 411, Acts of the 58th  
18 Legislature, Regular Session, 1963, refers to  
19 publishing rules in a "booklet or pamphlet." The  
20 revised law omits "pamphlet" because, in context, the  
21 meaning of "pamphlet" is included in the meaning of  
22 "booklet."

23 Revised Law

24 Sec. 1003.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
25 The board may prescribe the method and manner of the making of  
26 purchases and expenditures by the district.

27 (b) The board shall prescribe:

- 28 (1) all accounting and control procedures; and  
29 (2) the method of purchasing necessary supplies,  
30 materials, and equipment. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
31 (part).)

32 Source Law

33 Sec. 7. The board of directors of such District  
34 shall have the power to prescribe the method and manner  
35 of making purchases and expenditures by and for such

1 Hospital District, and also shall prescribe all  
2 accounting and control procedures; the method of  
3 purchasing necessary supplies, materials, and  
4 equipment, and . . . .

5 Revised Law

6 Sec. 1003.107. EMINENT DOMAIN. (a) The district may  
7 exercise the power of eminent domain to acquire a fee simple or  
8 other interest in any type of property, real, personal, or mixed,  
9 located in the territory of the district if the interest is  
10 necessary or convenient for the district to exercise the rights,  
11 powers, privileges, or functions conferred by this chapter.

12 (b) The district must exercise the power of eminent domain  
13 in the manner provided by Chapter 21, Property Code, but the  
14 district is not required to deposit in the trial court money or bond  
15 as provided by Section 21.021(a), Property Code.

16 (c) In a condemnation proceeding brought by the district,  
17 the district is not required to:

18 (1) pay in advance or provide bond or other security  
19 for costs in the trial court;

20 (2) provide bond for the issuance of a temporary  
21 restraining order or a temporary injunction; or

22 (3) provide bond for costs or supersedeas on an appeal  
23 or writ of error. (Acts 58th Leg., R.S., Ch. 411, Sec. 9.)

24 Source Law

25 Sec. 9. A Hospital District organized in  
26 pursuance of this Act shall have the right and power of  
27 eminent domain for the purpose of acquiring by  
28 condemnation any and all property of any kind or  
29 character, real, personal or mixed, or any interest  
30 therein, including outright ownership of such property  
31 in fee simple absolute, within the boundaries of the  
32 said District, necessary or convenient to the exercise  
33 of the rights, powers, privileges and functions  
34 conferred upon it by this Act, in the manner provided  
35 by General Law with respect to condemnation; provided  
36 that the said District shall not be required to make  
37 deposits in the registry of the trial court of the sum  
38 required by Article 3268 of the Revised Civil Statutes  
39 of Texas, 1925, as last amended by Section 2 of Chapter  
40 37, Acts of the Forty-third Legislature, Second Called  
41 Session, 1934, or to make the bond required therein.  
42 In condemnation proceedings being prosecuted by the  
43 said District, the District shall not be required to  
44 pay in advance or to give bond or other security for  
45 costs in the trial court, nor to give any bond  
46 otherwise required for the issuance of a temporary  
47 restraining order or a temporary injunction relating

1 to a condemnation proceeding, nor to give bond for  
2 costs or for supersedeas on any appeal or writ of error  
3 proceeding to any Court of Civil Appeals, or to the  
4 Supreme Court.

5 Revisor's Note

6 (1) Section 9, Chapter 411, Acts of the 58th  
7 Legislature, Regular Session, 1963, states that the  
8 district has the "right and power of eminent domain for  
9 the purpose of acquiring [property] by condemnation."  
10 The revised law substitutes "may exercise the power of  
11 eminent domain to acquire [property]" because the  
12 phrases have the same meaning and the latter phrase is  
13 consistent with modern usage in laws relating to  
14 eminent domain.

15 (2) Section 9, Chapter 411, Acts of the 58th  
16 Legislature, Regular Session, 1963, provides that the  
17 district must exercise the power of eminent domain in  
18 the "manner provided by General Law with respect to  
19 condemnation." The revised law substitutes for  
20 "General Law" a reference to Chapter 21, Property  
21 Code, because that is the general law governing  
22 eminent domain.

23 (3) Section 9, Chapter 411, Acts of the 58th  
24 Legislature, Regular Session, 1963, refers to  
25 Paragraph 2, V.A.C.S. Article 3268. That statute was  
26 codified in 1983 as Section 21.021(a), Property Code.  
27 The revised law is drafted accordingly.

28 (4) Section 9, Chapter 411, Acts of the 58th  
29 Legislature, Regular Session, 1963, provides that the  
30 district is not required to provide bond on any appeal  
31 or writ of error proceedings to "any Court of Civil  
32 Appeals, or to the Supreme Court." The revised law  
33 omits the references to the courts as unnecessary  
34 because those are the only courts to which the district  
35 may appeal or apply for a writ of error.

1 Revised Law

2 Sec. 1003.108. GIFTS AND ENDOWMENTS. The board may accept  
3 for the district a gift or endowment to be held in trust and  
4 administered by the board for the purposes and under the  
5 directions, limitations, or other provisions prescribed in writing  
6 by the donor that are not inconsistent with the proper management  
7 and objectives of the district. (Acts 58th Leg., R.S., Ch. 411,  
8 Sec. 14.)

9 Source Law

10 Sec. 14. Said board of directors of the Hospital  
11 District is authorized on behalf of said Hospital  
12 District to accept donations, gifts, and endowments  
13 for the Hospital District to be held in trust and  
14 administered by the board of directors for such  
15 purposes and under such directions, limitations, and  
16 provisions as may be prescribed in writing by donor,  
17 not inconsistent with proper management and objects of  
18 Hospital District.

19 Revisor's Note

20 Section 14, Chapter 411, Acts of the 58th  
21 Legislature, Regular Session, 1963, refers to  
22 "donations" and "gifts." The revised law omits the  
23 reference to "donations" as unnecessary because  
24 "donations" is included within the meaning of "gifts."

25 Revised Law

26 Sec. 1003.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
27 When a patient from the county has been admitted to a district  
28 facility, the board shall require an inquiry into the circumstances  
29 of:

30 (1) the patient; and

31 (2) the patient's relatives who are legally liable for  
32 the patient's support.

33 (b) If an agent designated by the district to handle these  
34 affairs finds that the patient or the relatives are not able to pay  
35 all or part of the costs of the care and treatment in the hospital,  
36 the care and treatment shall become a charge on the district.

37 (c) If the agent finds that the patient or the patient's  
38 relatives are liable to pay for all or part of the costs of the care

1 and treatment, an order shall be made directing the patient or the  
2 relatives to pay a specified amount per week to the treasurer for  
3 the support of the patient. The amount ordered must be  
4 proportionate to financial ability and may not exceed the actual  
5 per capita cost of maintenance.

6 (d) The district may collect the sum from the patient's  
7 estate, or from any relatives legally liable for the patient's  
8 support, in the manner provided by law for the collection of  
9 expenses of the last illness of a deceased person.

10 (e) If there is a dispute as to the ability to pay, or doubt  
11 in the mind of the district's designated agent, the board shall hear  
12 and determine the dispute or resolve the doubt, after calling  
13 witnesses, and shall make a proper order. The order may be appealed  
14 to the district court by either party to the dispute. (Acts 58th  
15 Leg., R.S., Ch. 411, Sec. 13.)

16 Source Law

17 Sec. 13. Whenever a patient has been admitted to  
18 the facilities of the Hospital District from the  
19 county in which the District is situated, the  
20 directors shall cause inquiry to be made as to his  
21 circumstances, and of the relatives of such patient  
22 legally liable for his support. If he finds that such  
23 patient or said relatives are liable to pay for his  
24 care and treatment in whole or in part, an order shall  
25 be made directing such patient, or said relatives, to  
26 pay to the treasurer of the Hospital District for the  
27 support of such patient a specified sum per week, in  
28 proportion to their financial ability, but such sum  
29 shall not exceed the actual per capita cost of  
30 maintenance. The District shall have power and  
31 authority to collect such sum from the estate of the  
32 patient, or his relatives legally liable for his  
33 support, in the manner provided by law for the  
34 collection of expenses of the last illness of a  
35 deceased person. If the agent designated by the  
36 District to handle such affairs finds that such  
37 patient or said relatives are not able to pay, either  
38 in whole or in part, for his care and treatment, in  
39 such hospital, the same shall become a charge upon the  
40 Hospital District. Should there be a dispute as to the  
41 ability to pay, or doubt in the mind of the person  
42 designated as aforesaid, the District's directors  
43 shall hear and determine same, after calling  
44 witnesses, and shall make such order as may be proper,  
45 from which appeal shall lie to the District Court by  
46 either party to the dispute.

47 Revised Law

48 Sec. 1003.110. AUTHORITY TO SUE AND BE SUED. As a

1 governmental agency, the district may sue and be sued in its own  
2 name in any court of this state. (Acts 58th Leg., R.S., Ch. 411,  
3 Sec. 16 (part).)

4 Source Law

5 Sec. 16. [All Hospital Districts created under  
6 the provisions of this Act] . . . as a governmental  
7 agency may sue and be sued in any and all courts of this  
8 State in the name of such District.

9 Revisor's Note  
10 (End of Subchapter)

11 Section 11, Chapter 411, Acts of the 58th  
12 Legislature, Regular Session, 1963, provides  
13 authority for the "State Board of Health or any State  
14 board of charities (or public welfare)" to inspect  
15 hospital district facilities and records. The revised  
16 law omits Section 11 as unnecessary because various  
17 state laws, including Chapters 222 and 241, Health and  
18 Safety Code, provide the necessary inspection  
19 authority to appropriate state agencies. The omitted  
20 law reads:

21 Sec. 11. All Hospital Districts  
22 established or maintained under provisions  
23 of this Act shall be subject to inspection  
24 by any duly authorized representative of  
25 the State Board of Health or any State board  
26 of charities (or public welfare) that may  
27 hereafter be created, and resident officers  
28 shall admit such representatives into all  
29 Hospital District facilities and give them  
30 access on demand to all records, reports,  
31 books, papers and accounts pertaining to  
32 the Hospital District.

33 [Sections 1003.111-1003.150 reserved for expansion]

34 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

35 Revised Law

36 Sec. 1003.151. BUDGET. (a) Each year, the board shall  
37 prepare a budget showing for the following fiscal year:

- 38 (1) the proposed expenditures and disbursements;  
39 (2) the estimated receipts and collections; and  
40 (3) the amount of taxes required to be imposed during  
41 the year.

1 (b) The board shall hold a public hearing on the proposed  
2 budget. At least 10 days before the date of hearing, at least one  
3 notice of the hearing shall be published in a newspaper of general  
4 circulation in the county.

5 (c) Any district taxpayer is entitled to appear at the time  
6 and place designated in the notice and to be heard regarding any  
7 item shown in the proposed budget. (Acts 58th Leg., R.S., Ch. 411,  
8 Sec. 8 (part).)

9 Source Law

10 Sec. 8. . . .

11 The board of directors shall each year cause a  
12 budget to be prepared showing the proposed  
13 expenditures and disbursements and the estimated  
14 receipts and collections for the following fiscal year  
15 and shall hold a public hearing on the proposed budget  
16 after publication of a notice of hearing in a newspaper  
17 of general circulation in the County at least once not  
18 less than ten (10) days prior to the date set for the  
19 hearing. Any person who is a taxpayer of the District  
20 shall have the right to appear at the time and place  
21 designated in the notice and be heard with reference to  
22 any item shown in the proposed budget. The proposed  
23 budget shall also show the amount of taxes required to  
24 be levied and collected during such fiscal year  
25 and . . . .

26 Revisor's Note

27 Section 8, Chapter 411, Acts of the 58th  
28 Legislature, Regular Session, 1963, refers to taxes  
29 required to be "levied and collected." Throughout  
30 this chapter, the revised law substitutes "impose" for  
31 the quoted language and for similar terms such as  
32 "levy," "assessment," or "collection" because  
33 "impose" is the term generally used in Title 1, Tax  
34 Code, and includes the levy, assessment, and  
35 collection of an ad valorem tax.

36 Revised Law

37 Sec. 1003.152. FISCAL YEAR. The district's fiscal year  
38 begins on October 1 and ends on September 30. (Acts 58th Leg.,  
39 R.S., Ch. 411, Sec. 8 (part).)

40 Source Law

41 Sec. 8. The fiscal year of the Hospital District  
42 authorized to be established by the provisions hereof

1 shall commence on October 1st of each year and end on  
2 the 30th day of September of the following year. . . .

3 Revised Law

4 Sec. 1003.153. ANNUAL AUDIT. (a) For each fiscal year,  
5 the board shall have an independent audit made of the district's  
6 books and records.

7 (b) Not later than December 31 each year, the audit shall be  
8 filed with the comptroller and at the district office. (Acts 58th  
9 Leg., R.S., Ch. 411, Sec. 8 (part).)

10 Source Law

11 Sec. 8. . . . The District directors shall  
12 cause an annual independent audit to be made of the  
13 books and records of the District, such audit to be  
14 made covering such fiscal year, and the same shall be  
15 filed with the Comptroller of Public Accounts of the  
16 State of Texas and at the office of the District not  
17 later than December 31st of each year. . . .

18 Revisor's Note

19 Section 8, Chapter 411, Acts of the 58th  
20 Legislature, Regular Session, 1963, refers to "the  
21 Comptroller of Public Accounts of the State of Texas."  
22 The revised law substitutes "comptroller" for the  
23 quoted language because Section 403.001, Government  
24 Code, defines "comptroller" in any state statute to  
25 mean the comptroller of public accounts of the State of  
26 Texas.

27 Revised Law

28 Sec. 1003.154. DEPOSITORY. (a) The board by resolution  
29 shall designate one or more banks in the district as the district's  
30 depository or treasurer. A designated bank serves for two years and  
31 until a successor is designated.

32 (b) All income received by the district, including tax  
33 revenue after deducting discounts and fees for assessing and  
34 collecting the taxes, shall be deposited with the district  
35 depository and may be withdrawn only as provided by this chapter.

36 (c) All district funds shall be secured in the manner  
37 provided for securing county funds. (Acts 58th Leg., R.S., Ch. 411,  
38 Secs. 5 (part), 10.)

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Source Law

Sec. 5. . . . The residue of tax collections, after deduction of discounts and fees for assessing and collecting, shall be deposited in the District depository; and such funds shall be withdrawn only as provided herein. All other income of the Hospital District shall be deposited in like manner with the District depository. . . .

Sec. 10. Within thirty (30) days after appointment and qualification of the board of directors of a Hospital District, the said directors shall by resolution designate a bank or banks located within the District as the District's depository or treasurer and all funds of the District shall be secured in the manner now provided for the security of county funds. The depository shall serve for a period of two (2) years and until a successor has been named.

Revisor's Note

Section 10, Chapter 411, Acts of the 58th Legislature, Regular Session, 1963, requires the board to select a depository "[w]ithin thirty (30) days after appointment and qualification of the board of directors of a Hospital District." The revised law omits the quoted language as executed.

[Sections 1003.155-1003.200 reserved for expansion]

SUBCHAPTER E. BONDS

Revised Law

Sec. 1003.201. GENERAL OBLIGATION BONDS. The board may issue and sell bonds in the name and on the faith and credit of the district to:

- (1) purchase, construct, acquire, repair, or renovate buildings or improvements; and
- (2) equip buildings or improvements for hospital purposes. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

Source Law

Sec. 6. The board of directors shall have the power and authority to issue and sell as the obligations of such Hospital District, and in the name and upon the faith and credit of such Hospital District, bonds for the purchase, construction, acquisition, repair or renovation of buildings and improvements and equipping the same for hospital purposes and for any or all of such purposes; . . . .

1 Revised Law

2 Sec. 1003.202. TAXES TO PAY GENERAL OBLIGATION  
3 BONDS. (a) The board shall impose an ad valorem tax in an amount  
4 sufficient to create an interest and sinking fund to pay the  
5 principal of and interest on the general obligation bonds as they  
6 mature.

7 (b) The tax required by this section together with any other  
8 tax the district imposes in any year may not exceed 75 cents on each  
9 \$100 assessed value of the property according to the most recent  
10 certified tax appraisal roll of the district. (Acts 58th Leg.,  
11 R.S., Ch. 411, Sec. 6 (part).)

12 Source Law

13 Sec. 6. [The board of directors shall have the  
14 power and authority to issue and sell as the  
15 obligations of such Hospital District, and in the name  
16 and upon the faith and credit of such Hospital  
17 District, bonds] . . . provided, that a sufficient tax  
18 shall be levied to create an interest and sinking fund  
19 to pay the interest and principal as same matures  
20 provided said tax together with any other taxes levied  
21 for said District shall not exceed seventy-five cents  
22 (75¢) in any one year. . . .

23 Revisor's Note

24 Section 6, Chapter 411, Acts of the 58th  
25 Legislature, Regular Session, 1963, requires the  
26 district to impose a tax to pay the principal of and  
27 interest on bonds. The revised law specifies that the  
28 tax is an "ad valorem" tax because it is clear from the  
29 source law that the tax is a property tax and "ad  
30 valorem" is the term most commonly used in relation to  
31 a property tax.

32 Revised Law

33 Sec. 1003.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
34 district may issue general obligation bonds only if the bonds are  
35 authorized by a majority of the voters voting at an election held  
36 for that purpose.

37 (b) The board may call an election on its own motion and must  
38 specify:

1 (1) the place or places where the election will be  
2 held;

3 (2) the presiding election officers;

4 (3) the purpose for which the bonds are to be issued;

5 (4) the amount of the bonds;

6 (5) the maximum interest rate of the bonds; and

7 (6) the maximum maturity of the bonds, which may not  
8 exceed 40 years from the date of issuance.

9 (c) Notice of a bond election shall be given by publishing a  
10 substantial copy of the order calling the election in a newspaper of  
11 general circulation in the district once a week for two consecutive  
12 weeks before the date of the election. The first publication must  
13 occur not later than the 21st day before the date set for the  
14 election.

15 (d) The district shall pay the costs of the election. (Acts  
16 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

17 Source Law

18 Sec. 6. . . . No bonds shall be issued by such  
19 Hospital District (except refunding bonds) until  
20 authorized by a majority vote of the legally qualified  
21 property taxpaying voters, residing in such Hospital  
22 District, voting at an election called and held for  
23 such purpose. Such election may be called by the board  
24 of directors of its own motion, shall specify the place  
25 or places where the election shall be held, the  
26 presiding officers thereof, the purpose for which the  
27 bonds are to be issued, the amount thereof, maximum  
28 interest rate (not to exceed six per cent (6%) per  
29 annum) and the maximum maturity date of such bonds (not  
30 to exceed forty (40) years from their date of  
31 issuance). Notice of election shall be given by  
32 publishing a substantial copy of the order calling the  
33 election in a newspaper of general circulation in such  
34 District once a week for two (2) consecutive weeks  
35 prior to the date of election, the date of the first  
36 publication being at least twenty (20) full days prior  
37 to the date set for the election. The costs of such  
38 election shall be paid by the Hospital District. . . .

39 Revisor's Note

40 (1) Section 6, Chapter 411, Acts of the 58th  
41 Legislature, Regular Session, 1963, provides that  
42 "[n]o bonds . . . (except refunding bonds)" may be  
43 issued without an election. This provision is not  
44 accurate because Section 284.031, Health and Safety

1 Code, which applies to the district by its own terms,  
2 authorizes the district to issue revenue bonds without  
3 an election. Therefore, the revised law substitutes  
4 the reference to the requirement of an election before  
5 issuance of general obligation bonds.

6 (2) Section 6, Chapter 411, Acts of the 58th  
7 Legislature, Regular Session, 1963, refers to  
8 "property taxpaying" voters. The revised law omits  
9 the quoted language because in Hill v. Stone, 421 U.S.  
10 289, 95 S. Ct. 1637 (1975), the United States Supreme  
11 Court determined that property ownership as a  
12 qualification for voting is an unconstitutional denial  
13 of equal protection.

14 (3) Section 6, Chapter 411, Acts of the 58th  
15 Legislature, Regular Session, 1963, refers to a  
16 majority vote of the "legally qualified" voters  
17 "residing in such Hospital District." The revised law  
18 omits the quoted language as unnecessary in this  
19 context because Chapter 11, Election Code, governs  
20 eligibility to vote in an election in this state and  
21 allows only "qualified" voters who are residents of  
22 the territory covered by the election to vote in an  
23 election.

24 (4) Section 6, Chapter 411, Acts of the 58th  
25 Legislature, Regular Session, 1963, provides that the  
26 ballot proposition must include the maximum interest  
27 rate "not to exceed six per cent (6%) per annum." The  
28 revised law omits the quoted language because it has  
29 been superseded by the enactment of the maximum  
30 interest rate provision found in Section 1204.006,  
31 Government Code. That section reflects the 1981  
32 amendment of Chapter 3, Acts of the 61st Legislature,  
33 Regular Session, 1969 (Article 717k-2, Vernon's Texas  
34 Civil Statutes, now Chapter 1204, Government Code), by

1 Section 1, Chapter 61, Acts of the 67th Legislature,  
2 Regular Session, 1981, and permits a public agency,  
3 including a hospital district, to issue public  
4 securities at any net effective interest rate of 15  
5 percent or less. Section 1204.006, Government Code,  
6 applies to bonds issued under this chapter by  
7 application of Section 1204.001, Government Code.

8 Revised Law

9 Sec. 1003.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
10 board president shall execute the general obligation bonds in the  
11 name of the district. The board secretary shall countersign the  
12 bonds. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

13 Source Law

14 Sec. 6. . . . Such bonds shall be executed in  
15 the name of the Hospital District and on its behalf by  
16 the president of the board of directors, and  
17 countersigned by the secretary of the board of  
18 directors, and . . . .

19 Revised Law

20 Sec. 1003.205. REFUNDING BONDS. (a) The board may,  
21 without an election, issue refunding bonds to refund outstanding  
22 bonds issued or assumed by the district.

23 (b) Subject to Subsection (c), a refunding bond may be:

24 (1) sold, with the proceeds of the refunding bonds  
25 applied to the payment of the bonds to be refunded; or

26 (2) exchanged in whole or in part for not less than a  
27 like amount of bonds to be refunded and the matured but unpaid  
28 interest on those bonds.

29 (c) The average annual interest cost on the refunding bonds,  
30 computed in accordance with recognized standard bond interest cost  
31 tables, may not exceed the average annual interest cost on the bonds  
32 to be refunded, unless the total interest cost on the refunding  
33 bonds to their maturity dates is less than the total interest cost  
34 on the bonds to be refunded.

35 (d) Any premium required to be paid, as a condition to  
36 payment in advance of the stated maturity dates, on the bonds to be

1 refunded must be included in computing the net interest cost to the  
2 district of the refunding bonds. (Acts 58th Leg., R.S., Ch. 411,  
3 Sec. 6 (part).)

4 Source Law

5 Sec. 6. . . .

6 In the manner hereinabove provided, the bonds of  
7 such Hospital District may, without the necessity of  
8 any election therefor, be issued for the purpose of  
9 refunding and paying off any bonded indebtedness  
10 theretofore assumed by such Hospital District and any  
11 bonds therefore issued by such Hospital District; such  
12 refunding bonds may be sold and the proceeds thereof  
13 applied to the payment of any such outstanding bonds or  
14 may be exchanged in whole or in part for not less than a  
15 like amount of said outstanding bonds and interest  
16 matured thereon, but unpaid; provided the average  
17 interest cost per annum on the refunding bonds,  
18 computed in accordance with recognized standard bond  
19 interest cost tables, shall not exceed the average  
20 interest cost per annum so computed, upon the bonds to  
21 be discharged out of the proceeds of the refunding  
22 bonds, unless the total interest cost on the refunding  
23 bonds, computed to their respective maturity dates, is  
24 less than the total interest cost so computed on the  
25 bonds to be discharged out of such proceeds. In the  
26 foregoing computations, any premium or premiums  
27 required to be paid upon the bonds to be refunded as a  
28 condition to payment in advance of their stated  
29 maturity dates shall be taken into account as an  
30 addition to the net interest cost to the Hospital  
31 District of the refunding bonds.

32 Revisor's Note

33 (End of Subchapter)

34 (1) Section 5(a), Chapter 411, Acts of the 58th  
35 Legislature, Regular Session, 1963, provides that  
36 Chapter 285, Acts of the 60th Legislature, Regular  
37 Session, 1967 (Article 4494r-1, Vernon's Texas Civil  
38 Statutes), applies to the district. Article 4494r-1  
39 was revised in 1989 as Section 284.031, Health and  
40 Safety Code, which applies to this chapter by its own  
41 terms. It is not necessary to repeat that authority  
42 here. The omitted law reads:

43 Sec. 5(a). . . . The provisions of  
44 Chapter 285, Acts of the 60th Legislature,  
45 Regular Session, 1967, shall apply to the  
46 district, and revenue bonds may be issued as  
47 therein provided.

48 (2) Section 6, Chapter 411, Acts of the 58th  
49 Legislature, Regular Session, 1963, provides for

1 approval of bonds by the attorney general. The revised  
2 law omits this provision as unnecessary because it has  
3 been superseded by Section 1202.003, Government Code,  
4 enacted in 1987 as Sections 3.002(a) and (b), Chapter  
5 53, Acts of the 70th Legislature, 2nd Called Session,  
6 1987 (Article 717k-8, Vernon's Texas Civil Statutes).  
7 That section applies to bonds issued under this  
8 chapter by application of Section 1202.001, Government  
9 Code. The omitted law reads:

10           Sec. 6. . . . [Such bonds] . . .  
11           shall be subject to the same requirements in  
12           the matter of approval thereof by the  
13           Attorney General of the State of Texas and  
14           . . . as are by law provided. Upon the  
15           approval of such bonds by the Attorney  
16           General of Texas . . . .

17           (3) Section 6, Chapter 411, Acts of the 58th  
18           Legislature, Regular Session, 1963, provides  
19           requirements for registration of bonds by the  
20           comptroller. The revised law omits this provision as  
21           unnecessary because it has been superseded by Section  
22           1202.005, Government Code, enacted in 1987 as Section  
23           3.002(c), Chapter 53, Acts of the 70th Legislature,  
24           2nd Called Session, 1987 (Article 717k-8, Vernon's  
25           Texas Civil Statutes). That section applies to bonds  
26           issued under this chapter by application of Section  
27           1202.001, Government Code. The omitted law reads:

28           Sec. 6. . . . [Such bonds . . .  
29           shall be subject to the same requirements in  
30           the matter of] . . . the registration  
31           thereof by the Comptroller of Public  
32           Accounts of the State of Texas [as are by  
33           law provided.] . . .

34           (4) Section 6, Chapter 411, Acts of the 58th  
35           Legislature, Regular Session, 1963, provides that  
36           after approval and registration, bonds issued under  
37           that Act are incontestable. The revised law omits the  
38           provision because it duplicates a provision of Section  
39           1202.006, Government Code, enacted in 1987 as Section

1 3.002(d), Chapter 53, Acts of the 70th Legislature,  
2 2nd Called Session, 1987 (Article 717k-8, Vernon's  
3 Texas Civil Statutes). That section applies to bonds  
4 issued under this chapter by application of Section  
5 1202.001, Government Code. The omitted law reads:

6           Sec. 6. . . . [Upon the approval of  
7 such bonds by the Attorney General of Texas]  
8 the same shall be incontestable for any  
9 cause. . . .

10           (5) Section 15, Chapter 411, Acts of the 58th  
11 Legislature, Regular Session, 1963, provides that  
12 bonds are authorized investments for certain entities  
13 and that the bonds are lawful security for deposits.  
14 The revised law omits these provisions as unnecessary.  
15 As to several of the entities listed, Section 15 has  
16 been superseded and impliedly repealed. Investments  
17 in securities by banks are regulated by Section  
18 34.101, Finance Code (enacted in 1995 as Section  
19 5.101, Texas Banking Act (Article 342-5.101, Vernon's  
20 Texas Civil Statutes)). Investments in securities by  
21 savings banks are regulated by Section 93.001(c)(10),  
22 Finance Code (enacted in 1993 as Section 7.15(10),  
23 Texas Savings Bank Act (Article 489e, Vernon's Texas  
24 Civil Statutes)). Investments in securities by trust  
25 companies are regulated by Section 184.101, Finance  
26 Code (enacted in 1997 as Section 5.101, Texas Trust  
27 Company Act (Article 342a-5.101, Vernon's Texas Civil  
28 Statutes)). Investments in securities by savings and  
29 loan associations are regulated by Section 63.002,  
30 Finance Code (last amended in 1985 as Section 5.05,  
31 Texas Savings and Loan Act (Article 852a, Vernon's  
32 Texas Civil Statutes)), and by Section 64.001, Finance  
33 Code (amended in 1989 as Section 5.01, Texas Savings  
34 and Loan Act (Article 852a, Vernon's Texas Civil  
35 Statutes)). As to the remaining entities listed,

1 Section 15 is superseded by Section 1201.041,  
2 Government Code, enacted as Section 9, Bond Procedures  
3 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
4 Statutes). While the source law lists "guardians" and  
5 Section 1201.041, Government Code, does not, Section  
6 1201.041 includes "fiduciaries," and a guardian is a  
7 fiduciary. Section 1201.041, Government Code, applies  
8 to bonds issued under this chapter by application of  
9 Section 1201.002, Government Code. The omitted law  
10 reads:

11 Sec. 15. All bonds issued by the  
12 District authorized to be established and  
13 created under the provisions of this Act  
14 shall be and are declared to be legal and  
15 authorized investments for banks, savings  
16 banks, trust companies, building and loan  
17 associations, insurance companies,  
18 fiduciaries, trustees, guardians, and for  
19 the sinking funds of cities, towns,  
20 villages, counties, school districts, or  
21 other political corporations or  
22 subdivisions of the State of Texas, and such  
23 bonds shall be lawful and sufficient  
24 security for deposits to the extent of their  
25 face value when accompanied by all  
26 unmatured coupons appurtenant thereto.

27 [Sections 1003.206-1003.250 reserved for expansion]

28 SUBCHAPTER F. TAXES

29 Revised Law

30 Sec. 1003.251. IMPOSITION OF TAXES. (a) The board shall  
31 impose on all property subject to district taxation, for the  
32 benefit of the district, a tax at a rate not to exceed 75 cents on  
33 each \$100 assessed value of the property according to the most  
34 recent certified tax appraisal roll of the district.

35 (b) The board shall impose the tax to:

36 (1) pay the principal of and interest on, and to create  
37 an interest and sinking fund for, bonds that may have been assumed  
38 or that may be issued by the district for hospital purposes;

39 (2) provide for the operation and maintenance of the  
40 hospital or hospital system;

41 (3) make improvements and additions to the hospital

1 system; and

2 (4) acquire necessary sites for the hospital system by  
3 purchase, lease, or condemnation. (Acts 58th Leg., R.S., Ch. 411,  
4 Sec. 5 (part).)

5 Source Law

6 Sec. 5. . . . the board of directors shall have  
7 the power and authority and it shall be their duty to  
8 levy on all property subject to Hospital District  
9 taxation for the benefit of the District . . . a tax of  
10 not to exceed seventy-five cents (75¢) on the One  
11 Hundred Dollar (\$100) valuation of all taxable  
12 property within the Hospital District, for the purpose  
13 of: (1) paying the interest on and creating a sinking  
14 fund for bonds which may have been assumed or which may  
15 be issued by the Hospital District for hospital  
16 purposes as herein provided; (2) providing for the  
17 operation and maintenance of the hospital or hospital  
18 system; and (3) for the purpose of making further  
19 improvements and additions to the hospital system, and  
20 for the acquisition of necessary sites therefor, by  
21 purchase, lease or condemnation.

22 . . . the board of directors shall levy the tax  
23 on all taxable property within the District which is  
24 subject to taxation and . . . .

25 Revisor's Note

26 (1) Section 5, Chapter 411, Acts of the 58th  
27 Legislature, Regular Session, 1963, refers to taxing  
28 powers that exist at the time the district is created.  
29 The revised law omits that provision as executed. The  
30 omitted law reads:

31 Sec. 5. Upon the creation of such  
32 Hospital District, . . . .

33 (2) Section 5, Chapter 411, Acts of the 58th  
34 Legislature, Regular Session, 1963, refers to a tax  
35 rate based on the "One Hundred Dollar (\$100) valuation  
36 of all taxable property" in the district. The revised  
37 law substitutes for the quoted language a reference to  
38 the "\$100 assessed value . . . according to the most  
39 recent certified tax appraisal roll" of the district  
40 to conform to the terminology of the Tax Code,  
41 including Section 26.01 of that code, requiring the  
42 chief appraiser of an appraisal district to certify to  
43 the tax assessor of each taxing unit that has property

1 in the appraisal district an appraisal roll that lists  
2 the properties taxable by that taxing unit and the  
3 value of those properties.

4 Revised Law

5 Sec. 1003.252. POWERS AND DUTIES OF COUNTY TAX ASSESSOR;  
6 FEES. (a) The county tax assessor and collector shall collect the  
7 tax imposed under this subchapter unless the board by majority vote  
8 appoints a tax assessor and collector under Section 285.041, Health  
9 and Safety Code.

10 (b) The county tax assessor and collector shall charge and  
11 deduct from payments to the district a fee for imposing the tax in  
12 an amount determined by the board not to exceed the lesser of one  
13 percent of the amount collected or \$5,000 for the fiscal year. The  
14 fees shall be deposited in the county's general fund and shall be  
15 reported as fees of the tax assessor and collector. (Acts 58th  
16 Leg., R.S., Ch. 411, Secs. 5 (part), 5(a) (part), 8 (part).)

17 Source Law

18 Sec. 5. . . . The tax so levied shall be  
19 collected on all property subject to Hospital District  
20 taxation by the assessor and collector of taxes for the  
21 county . . . . The assessor and collector of taxes  
22 shall charge and deduct from payments to the Hospital  
23 District the fees for assessing and collecting the tax  
24 at the rate of not exceeding one per cent (1%) of the  
25 amounts collected as may be determined by the board of  
26 directors but in no event in excess of Five Thousand  
27 Dollars (\$5,000) for any one fiscal year. Such fees  
28 shall be deposited in the county's general fund, and  
29 shall be reported as fees of office of the tax assessor  
30 and collector. . . .

31 Sec. 5(a). The directors, by majority vote may  
32 adopt the provisions of Chapter 595, Acts of the 62nd  
33 Legislature, Regular Session, 1971, so that taxes are  
34 thereafter levied, assessed, equalized and collected  
35 as therein provided. . . .

36 Sec. 8. . . . it shall be the duty of the said  
37 tax assessor and collector to assess and collect such  
38 tax.

39 Revisor's Note

40 Section 5(a), Chapter 411, Acts of the 58th  
41 Legislature, Regular Session, 1963, provides that the  
42 directors can choose to adopt the "provisions of  
43 Chapter 595, Acts of the 62nd Legislature, Regular

1 Session, 1971, so that taxes are thereafter levied,  
2 assessed, equalized and collected as therein  
3 provided." As originally enacted, Chapter 595  
4 provided procedures for hospital districts to use in  
5 imposing ad valorem taxes. The legislature amended  
6 Chapter 595 in 1979 when it enacted Title 1 of the Tax  
7 Code (Section 4(c), Chapter 841, Acts of the 66th  
8 Legislature, Regular Session, 1979). That amendment  
9 removed all tax provisions except the provision  
10 authorizing a hospital district to appoint a tax  
11 assessor and collector. Chapter 595 was codified as  
12 Section 285.041, Health and Safety Code, in 1989. The  
13 revised law is drafted accordingly.

14 Revised Law

15 Sec. 1003.253. INTEREST, PENALTIES, AND DISCOUNTS.  
16 Interest, penalties, and discounts on taxes paid to the district  
17 shall be the same as for county taxes. (Acts 58th Leg., R.S., Ch.  
18 411, Sec. 5 (part).)

19 Source Law

20 Sec. 5. . . . Interest and penalties on taxes  
21 paid to the Hospital District shall be the same as in  
22 the case of county taxes. Discounts shall be the same  
23 as for county taxes. . . .

24 Revisor's Note  
25 (End of Subchapter)

26 (1) Sections 5 and 8, Chapter 411, Acts of the  
27 58th Legislature, Regular Session, 1963, provide  
28 procedures for the imposition of a property tax. The  
29 revised law omits these provisions as superseded by  
30 Title 1, Tax Code, which was intended as a  
31 comprehensive, substantive codification of all  
32 property tax law and its administration. Title 1, Tax  
33 Code, was enacted by Chapter 841, Acts of the 66th  
34 Legislature, Regular Session, 1979. Section 6(b) of  
35 that act repealed all "general, local, and special  
36 laws" that conflicted with that act. The omitted law

1 reads:

2 Sec. 5. . . . [the board of  
3 directors shall have the power and  
4 authority and it shall be their duty to levy  
5 on all property subject to Hospital  
6 District taxation for the benefit of the  
7 District] at the same time taxes are levied  
8 for County purposes, using County values  
9 and County tax rolls, [a tax] . . . .

10 Not later than October 1st of each  
11 year, [the board of directors shall levy the  
12 tax on all taxable property within the  
13 District which is subject to taxation and]  
14 shall immediately certify such tax rate to  
15 the tax assessor and collector of the county  
16 in which the District is located. [The tax  
17 so levied shall be collected on all property  
18 subject to Hospital District taxation by  
19 the assessor and collector of taxes for the  
20 county] on the county tax values, and in the  
21 same manner and under the same conditions as  
22 county taxes. . . .

23 Sec. 8. . . . [The proposed budget  
24 shall also show the amount of taxes required  
25 to be levied and collected during such  
26 fiscal year and] upon final approval of the  
27 budget, the board of directors shall levy  
28 such tax as may be required and certify the  
29 tax rate for such year to the county tax  
30 assessor and collector of each county  
31 included within the District as provided in  
32 Section 5 hereof, and . . . .

33 (2) Section 5, Chapter 411, Acts of the 58th  
34 Legislature, Regular Session, 1963, authorizes the  
35 board to impose a tax in the district's initial year.  
36 The revised law omits this provision as executed. The  
37 omitted law reads:

38 Sec. 5. . . .  
39 The board of directors shall have the  
40 authority to levy the tax aforesaid for the  
41 entire year in which the said Hospital  
42 District is established, for the purpose of  
43 securing funds to initiate the operation of  
44 the Hospital District, and to pay assumed  
45 bonds.

46 Revisor's Note  
47 (End of Chapter)

48 (1) Section 4, Chapter 541, Acts of the 63rd  
49 Legislature, Regular Session, 1973, validates various  
50 election procedures in 1973 and various bond and tax  
51 provisions arising out of that election. The revised  
52 law omits the provision as executed. The omitted law

1 reads:

2           Sec. 4. All proceedings relating to  
3 the creation of the district and the  
4 selection of the initial board of  
5 directors, including particularly the  
6 proceedings relating to the calling and  
7 holding of the election on March 3, 1973,  
8 and the canvass of the returns of such  
9 election are hereby in all things  
10 validated, ratified and confirmed. All  
11 proceedings relating to the calling,  
12 holding and canvass of the returns of the  
13 bond election held within the District on  
14 the 7th day of April, 1973, are hereby in  
15 all things validated, ratified and  
16 confirmed; and it is specifically provided  
17 that the directors may authorize, issue and  
18 deliver the \$150,000 bonds approved by a  
19 majority of the resident qualified electors  
20 of the District, including those who own  
21 taxable property therein and who have duly  
22 rendered the same for taxation without the  
23 necessity of another election; that if  
24 provisions of this section are not fully  
25 operative so as to validate such bond  
26 election, then by virtue hereof the  
27 District shall (without further or an  
28 additional election) be authorized to issue  
29 \$150,000 in bonds for the purpose or  
30 purposes specified in Section 6 of the Act  
31 providing for the creation of the District,  
32 and make provision for the payment of such  
33 bonds out of the tax authorized to be levied  
34 at the election held March 3, 1973.

35           (2) Section 6, Chapter 541, Acts of the 63rd  
36 Legislature, Regular Session, 1973, states that public  
37 notice of enactment of the statutes was provided in a  
38 manner that satisfies the requirements of the Texas  
39 Constitution. The revised law omits the provision as  
40 executed. The omitted law reads:

41           Sec. 6. Proof of publication of the  
42 notice required in the enactment hereof  
43 under the provisions of Article IX, Section  
44 9 of the Texas Constitution, has been made  
45 in the manner and form provided by law  
46 pertaining to the enactment of local and  
47 special laws, and such notice is hereby  
48 found and declared proper and sufficient to  
49 satisfy such requirement.

50           [Chapters 1004-3000 reserved for expansion]

51           TITLE 4. DEVELOPMENT AND IMPROVEMENT

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3 [Sections 3001.216-3001.250 reserved for expansion]

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6 CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Revised Law

9 Sec. 3001.001. DEFINITIONS. In this chapter:

10 (1) "Assessment" includes a reassessment or  
11 supplemental assessment.

12 (2) "Board" means the board of directors of the  
13 district.

14 (3) "Director" means a board member.

15 (4) "District" means the Southeast Texas Agricultural  
16 Development District.

17 (5) "Obligation" means an obligation issued by the  
18 district under this chapter, including a bond, certificate, note,  
19 or other evidence of indebtedness.

20 (6) "Project" means an agricultural project  
21 designated under Section 3001.110. (Loc. Gov. Code, Secs.  
22 384.001(1), (2), (3), (5), (6), (7), as added Acts 76th Leg., R.S.,  
23 Ch. 1578.)

24 Source Law

25 Sec. 384.001. DEFINITIONS. In this chapter:

26 (1) "Assessment" includes a reassessment  
27 or supplemental assessment.

28 (2) "Board" means the board of directors  
29 of the district.

30 (3) "Bond" means an obligation issued by  
31 the district under this chapter, including a bond,  
32 certificate, note, or other evidence of indebtedness.

33 (5) "Director" means a board member.

34 (6) "District" means the Southeast Texas  
35 Agricultural Development District.

36 (7) "Project" means an agricultural  
37 project designated under Section 384.045.

38 Revisor's Note

39 (1) Section 384.001(3), Local Government Code,

1 defines "bond" as an obligation issued by the district  
2 and describes various types of obligations included  
3 within the definition that indicate evidence of  
4 indebtedness. The revised law substitutes  
5 "obligation" for "bond" because, under that  
6 definition, "obligation" is a broader term that  
7 includes "bond." Throughout this chapter, the revised  
8 law substitutes "obligation" for "bond" when that term  
9 is used to indicate "a bond, certificate, note, or  
10 other evidence of indebtedness."

11 (2) Section 384.001(4), Local Government Code,  
12 defines "county" to mean Chambers County, Texas. The  
13 revised law omits this definition for ease of  
14 understanding. Throughout this chapter, the revised  
15 law instead refers to Chambers County, unless the  
16 context clearly shows that the term "county" refers  
17 generally to any county. The omitted law reads:

18 (4) "County" means Chambers  
19 County, Texas.

20 Revised Law

21 Sec. 3001.002. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT  
22 DISTRICT. (a) The Southeast Texas Agricultural Development  
23 District is created as a special district.

24 (b) The board by resolution may change the district's name.  
25 (Loc. Gov. Code, Sec. 384.021, as added Acts 76th Leg., R.S., Ch.  
26 1578.)

27 Source Law

28 Sec. 384.021. CREATION. (a) The Southeast  
29 Texas Agricultural Development District is created as  
30 a special district.

31 (b) The board by resolution may change the  
32 district's name.

33 Revised Law

34 Sec. 3001.003. PURPOSE AND NATURE OF DISTRICT. (a) The  
35 district is created as a conservation and reclamation district  
36 under Section 59, Article XVI, Texas Constitution, to:

1 (1) conserve and develop the natural resources of this  
2 state, including certain agricultural resources;

3 (2) conserve the soil for certain agricultural uses;

4 (3) reclaim or drain overflowed lands or provide  
5 necessary irrigation for certain natural agricultural resources;  
6 and

7 (4) provide credit, grants, or other things of value  
8 to aid persons as provided by Section 52(a), Article III, Texas  
9 Constitution.

10 (b) The district exercises public and essential  
11 governmental functions.

12 (c) The creation of the district is a program essential to  
13 accomplish the purposes of Section 52-a, Article III, Texas  
14 Constitution, and other public purposes stated in this chapter.

15 (Loc. Gov. Code, Secs. 384.022(a), (b), (d), as added Acts 76th  
16 Leg., R.S., Ch. 1578.)

17 Source Law

18 Sec. 384.022. PURPOSE AND NATURE OF  
19 DISTRICT. (a) The district is created as a  
20 conservation and reclamation district under Section  
21 59, Article XVI, Texas Constitution, to:

22 (1) conserve and develop the natural  
23 resources of this state, including certain  
24 agricultural resources;

25 (2) conserve the soil for certain  
26 agricultural uses;

27 (3) reclaim or drain overflowed lands or  
28 provide necessary irrigation for certain natural  
29 agricultural resources; and

30 (4) provide credit, grants, or other  
31 things of value to aid persons as provided by Section  
32 52(a), Article III, Texas Constitution.

33 (b) The district exercises public and essential  
34 governmental functions.

35 (d) The creation of the district is a program  
36 essential to accomplish the purposes of Section 52-a,  
37 Article III, Texas Constitution, and other public  
38 purposes stated in this chapter.

39 Revised Law

40 Sec. 3001.004. DISTRICT TERRITORY. (a) The district  
41 includes all of the territory of Chambers County that is east of the  
42 center line of the Trinity River and north of the center line of the  
43 Gulf Intracoastal Waterway, other than property located inside the

1 municipal boundaries of an incorporated municipality as of January  
2 1, 1999, as that territory may have been modified under:

3 (1) Section 3001.116, or its predecessor statute,  
4 former Section 384.052, Local Government Code; or

5 (2) other law.

6 (b) The boundaries of the district form a closure. A  
7 mistake in the description of the boundaries or in copying the  
8 description in the legislative process does not affect the  
9 district's:

10 (1) organization, existence, or validity;

11 (2) right to issue any type of bond for the purposes  
12 for which the district is created or to pay the principal of and  
13 interest on a bond;

14 (3) right to impose or collect an assessment; or

15 (4) legality or operation. (Loc. Gov. Code, Secs.  
16 384.023, 384.024, as added Acts 76th Leg., R.S., Ch. 1578; New.)

17 Source Law

18 Sec. 384.023. BOUNDARIES. The district  
19 includes all of the territory of Chambers County that  
20 is east of the center line of the Trinity River and  
21 north of the center line of the Gulf Intracoastal  
22 Waterway, save and except all property located within  
23 the city limits of an incorporated municipality as of  
24 January 1, 1999.

25 Sec. 384.024. FINDING RELATED TO  
26 BOUNDARIES. The legislature finds that the  
27 boundaries of the district form a closure. If a  
28 mistake is made in the description of the boundaries or  
29 in copying the description in the legislative process,  
30 it does not affect the district's:

31 (1) organization, existence, or validity;

32 (2) right to issue any type of bond for the  
33 purposes for which the district is created or to pay  
34 the principal of and interest on a bond;

35 (3) right to impose or collect an  
36 assessment; or

37 (4) legality or operation.

38 Revisor's Note

39 Section 384.023, Local Government Code,  
40 describes the territory of the district. For the  
41 reader's convenience, the revised law includes a  
42 reference to the statutory authority to change the  
43 district's territory under Section 384.052, Local

1 Government Code (revised in this chapter as Section  
2 3001.116), and a reference to the general authority of  
3 the legislature to enact other laws to change the  
4 district's territory.

5 Revised Law

6 Sec. 3001.005. APPLICABILITY OF AND RELATION TO OTHER  
7 LAW. (a) Chapter 49, Water Code, does not apply to the district.

8 (b) The district's authority under this chapter is not  
9 intended to duplicate the authority granted to the Chambers-Liberty  
10 Counties Navigation District or to limit the authority or  
11 jurisdiction of the navigation district. To the extent the laws of  
12 this chapter conflict with the laws of that navigation district,  
13 the laws of the navigation district control over this chapter.  
14 (Loc. Gov. Code, Secs. 384.022(c), 384.046(c), as added Acts 76th  
15 Leg., R.S., Ch. 1578.)

16 Source Law

17 [Sec. 384.022]

18 (c) Chapter 49, Water Code, does not apply to  
19 the district.

20 [Sec. 384.046]

21 (c) The authority granted to the district under  
22 this chapter is not intended to duplicate the  
23 authority granted to the Chambers-Liberty Counties  
24 Navigation District or to limit the authority or  
25 jurisdiction of the navigation district. To the  
26 extent the laws of this chapter conflict with the laws  
27 of that navigation district, the laws of the  
28 navigation district control over this chapter.

29 [Sections 3001.006-3001.050 reserved for expansion]

30 SUBCHAPTER B. BOARD OF DIRECTORS

31 Revised Law

32 Sec. 3001.051. BOARD OF DIRECTORS. (a) The district is  
33 governed by a board of nine directors.

34 (b) The board by resolution may increase or decrease the  
35 number of directors on the board if the board determines that to do  
36 so is in the best interest of the district. The board may not have  
37 more than 15 directors. (Loc. Gov. Code, Sec. 384.081(a), as added  
38 Acts 76th Leg., R.S., Ch. 1578.)

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Source Law

Sec. 384.081. BOARD OF DIRECTORS. (a) The district is governed by a board of nine directors. The board may increase or decrease the number of directors on the board by resolution if the board finds that to do so is in the best interest of the district. The board may not have more than 15 directors.

Revised Law

Sec. 3001.052. QUALIFICATIONS. (a) To serve as a director, a person must be at least 18 years old and:

- (1) reside in the district;
- (2) own property in the district; or
- (3) be an agent, employee, or tenant of a person who owns property in the district.

(b) At least five directors must reside in or own property in Chambers County. (Loc. Gov. Code, Sec. 384.081(b) (part), as added Acts 76th Leg., R.S., Ch. 1578.)

Source Law

(b) . . . At least five directors must reside in or own property in the county. To serve as a director, a person must be at least 18 years old and:

- (1) reside in the district;
- (2) own property in the district; or
- (3) be an agent, employee, or tenant of a district property owner.

Revised Law

Sec. 3001.053. TERMS. The county commissioners court shall appoint the directors to serve staggered four-year terms with as near as possible to one-half of the directors' terms expiring on June 1 of each odd-numbered year. (Loc. Gov. Code, Sec. 384.081(b) (part), as added Acts 76th Leg., R.S., Ch. 1578.)

Source Law

(b) The county commissioners court shall appoint the directors to serve staggered four-year terms with as near as possible to one-half of the directors' terms expiring on June 1 of each odd-numbered year. . . .

Revised Law

Sec. 3001.054. DIRECTOR'S BOND. (a) As soon as practicable after a director is appointed, the director shall execute a \$10,000 bond payable to the district and conditioned on the faithful performance of the director's duties.

1 (b) Each director's bond must be approved by the board.

2 (c) The bond shall be filed with and retained by the  
3 district. (Loc. Gov. Code, Sec. 384.088, as added Acts 76th Leg.,  
4 R.S., Ch. 1578.)

5 Source Law

6 Sec. 384.088. DIRECTOR'S BOND. (a) As soon as  
7 practicable after a director is appointed, the  
8 director shall execute a \$10,000 bond payable to the  
9 district and conditioned on the faithful performance  
10 of the director's duties.

11 (b) Each director's bond must be approved by the  
12 board.

13 (c) The bond shall be filed with and retained by  
14 the district.

15 Revised Law

16 Sec. 3001.055. REMOVAL; VACANCY. (a) The county  
17 commissioners court may remove a director for misconduct or failure  
18 to carry out the director's duties on petition by a majority of the  
19 other directors and after notice and hearing.

20 (b) If a vacancy occurs on the board, the remaining  
21 directors shall appoint a director for the remainder of the  
22 unexpired term. (Loc. Gov. Code, Sec. 384.082, as added Acts 76th  
23 Leg., R.S., Ch. 1578.)

24 Source Law

25 Sec. 384.082. REMOVAL; VACANCIES. (a) On  
26 petition by a majority of the remaining directors and  
27 after notice and hearing, the county commissioners  
28 court may remove a director for misconduct or failure  
29 to carry out the director's duties.

30 (b) A vacancy in the office of a director  
31 because of the death, resignation, or removal of a  
32 director shall be filled by the remaining directors by  
33 appointing a director for the unexpired term.

34 Revisor's Note

35 Section 384.082, Local Government Code, refers to  
36 a vacancy in the office of director "because of the  
37 death, resignation, or removal of a director." The  
38 revised law omits the quoted language as unnecessary  
39 because the quoted language merely describes every  
40 manner in which a vacancy may occur without limiting in  
41 any way the board's duty to fill a vacancy.

1 Revised Law

2 Sec. 3001.056. OFFICERS. (a) The board shall elect from  
3 its directors a president, vice president, and secretary.

4 (b) The board by rule may provide for the election of other  
5 officers. (Loc. Gov. Code, Sec. 384.081(c), as added Acts 76th  
6 Leg., R.S., Ch. 1578.)

7 Source Law

8 (c) The board shall elect from among its members  
9 a president, vice president, and secretary. The board  
10 by rule may provide for the election of other officers.

11 Revised Law

12 Sec. 3001.057. MEETINGS. The board shall meet at least  
13 once every three months and at the call of the presiding officer or  
14 a majority of the directors. (Loc. Gov. Code, Sec. 384.083, as  
15 added Acts 76th Leg., R.S., Ch. 1578.)

16 Source Law

17 Sec. 384.083. BOARD MEETINGS. The board shall  
18 meet at least once every three months and at the call  
19 of the presiding officer or a majority of the  
20 directors.

21 Revised Law

22 Sec. 3001.058. COMPENSATION; REIMBURSEMENT. A director  
23 serves without compensation but shall be reimbursed for a  
24 reasonable and necessary expense incurred in performing an official  
25 duty. (Loc. Gov. Code, Sec. 384.087, as added Acts 76th Leg., R.S.,  
26 Ch. 1578.)

27 Source Law

28 Sec. 384.087. COMPENSATION AND EXPENSES. A  
29 director serves without compensation but shall be  
30 reimbursed for a reasonable and necessary expense  
31 incurred in performing an official duty.

32 Revised Law

33 Sec. 3001.059. CONFLICT OF INTEREST; DISCLOSURE  
34 REQUIRED. (a) Except as provided by this section:  
35 (1) a director may participate in all board votes and  
36 decisions; and  
37 (2) Chapter 171, Local Government Code, governs  
38 conflicts of interest for directors.

1 (b) Section 171.004, Local Government Code, does not apply  
2 to the district. A director who has a substantial interest in a  
3 business or charitable entity that will receive a pecuniary benefit  
4 from a board action shall file an affidavit with the board secretary  
5 declaring the interest. Another affidavit is not required if the  
6 director's interest changes.

7 (c) After the affidavit is filed, the director may  
8 participate in a discussion or vote on that action if:

9 (1) a majority of the directors have similar interests  
10 in the same entity; or

11 (2) all similar business or charitable entities in the  
12 district will receive a similar pecuniary benefit.

13 (d) A director who is an officer or employee of a public  
14 entity may not participate in a discussion of or vote on a matter  
15 regarding a contract with the public entity.

16 (e) For purposes of this section, a director has a  
17 substantial interest in a charitable entity in the same manner that  
18 a person would have a substantial interest in a business entity  
19 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
20 Sec. 384.089, as added Acts 76th Leg., R.S., Ch. 1578.)

21 Source Law

22 Sec. 384.089. CONFLICT OF INTERESTS; ONE-TIME  
23 AFFIDAVIT. (a) Except as provided in this section:

24 (1) a director may participate in all  
25 board votes and decisions; and

26 (2) Chapter 171 governs conflicts of  
27 interest for directors.

28 (b) Section 171.004 does not apply to the  
29 district. Instead, a director who has a substantial  
30 interest in a business or charitable entity that will  
31 receive a pecuniary benefit from a board action shall  
32 file a one-time affidavit declaring the interest. An  
33 additional affidavit is not required if the director's  
34 interest changes. After the affidavit is filed with  
35 the board secretary, the director may participate in a  
36 discussion or vote on that action if:

37 (1) a majority of the directors have  
38 similar interests in the same entity; or

39 (2) all similar business or charitable  
40 entities in the district will receive a similar  
41 pecuniary benefit.

42 (c) A director who is also an officer or  
43 employee of a public entity may not participate in the  
44 discussion of or vote on a matter regarding a contract  
45 with that same public entity.

46 (d) For purposes of this section, a director has

1 a substantial interest in a charitable entity in the  
2 same manner that a person would have a substantial  
3 interest in a business entity under Section 171.002.

4 [Sections 3001.060-3001.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Revised Law

7 Sec. 3001.101. GENERAL POWERS AND DUTIES. (a) The  
8 district has the powers and duties that are necessary or desirable  
9 to carry out a power or duty expressly or implicitly granted under  
10 this chapter.

11 (b) The district may perform acts necessary to perform the  
12 purposes of this chapter. (Loc. Gov. Code, Secs. 384.041(a), (b),  
13 as added Acts 76th Leg., R.S., Ch. 1578.)

14 Source Law

15 Sec. 384.041. GENERAL POWERS AND  
16 DUTIES. (a) The district has the powers and duties  
17 that are prescribed by this chapter and that are  
18 necessary or desirable to carry out a power or duty  
19 expressly or implicitly granted under this chapter.

20 (b) The district may perform acts necessary to  
21 carry out the purposes of this chapter.

22 Revisor's Note

23 Section 384.041(a), Local Government Code,  
24 provides that the district has the powers and duties  
25 "that are prescribed by this chapter." The revised law  
26 omits this provision as unnecessary because any other  
27 provision of that chapter that prescribes a power or  
28 duty of the district is revised in this chapter and is  
29 sufficient authority for the district to exercise that  
30 power or duty.

31 Revised Law

32 Sec. 3001.102. LIMITATION ON DISTRICT POWERS. The  
33 district may not exercise a power unless it furthers the purposes of  
34 this chapter. (Loc. Gov. Code, Sec. 384.055, as added Acts 76th  
35 Leg., R.S., Ch. 1578.)

36 Source Law

37 Sec. 384.055. LIMIT ON DISTRICT POWERS. The  
38 district may not exercise a power unless it furthers  
39 the purposes of this chapter.

1 Revised Law

2 Sec. 3001.103. EXERCISE OF POWERS OUTSIDE DISTRICT. The  
3 district may exercise any of its powers outside the district  
4 territory if the board determines that there is a benefit to the  
5 district in exercising that power. (Loc. Gov. Code, Sec. 384.053,  
6 as added Acts 76th Leg., R.S., Ch. 1578.)

7 Source Law

8 Sec. 384.053. POWERS BEYOND DISTRICT  
9 TERRITORY. The district may exercise any of its  
10 powers outside the boundaries of the district if the  
11 board determines that there is a benefit to the  
12 district in exercising that power.

13 Revised Law

14 Sec. 3001.104. IMPOSITION OF AD VALOREM TAX  
15 PROHIBITED. The district may not impose an ad valorem tax. (Loc.  
16 Gov. Code, Sec. 384.041(c), as added Acts 76th Leg., R.S., Ch.  
17 1578.)

18 Source Law

19 (c) The district may not impose an ad valorem  
20 tax.

21 Revised Law

22 Sec. 3001.105. RULEMAKING. The board may adopt rules:  
23 (1) necessary or convenient to carry out district  
24 powers and duties;  
25 (2) to govern its affairs;  
26 (3) to preserve the public health and welfare  
27 concerning the agricultural products submitted to the district for  
28 harvesting, processing, distributing, or transporting; and  
29 (4) to establish a priority on the use of district  
30 property and services, including the payment of fees. (Loc. Gov.  
31 Code, Sec. 384.084, as added Acts 76th Leg., R.S., Ch. 1578.)

32 Source Law

33 Sec. 384.084. RULE-MAKING. (a) The board may  
34 adopt rules necessary or convenient to carry out  
35 district powers and duties.  
36 (b) The board may adopt rules to govern its  
37 affairs.  
38 (c) The board may adopt rules to preserve the  
39 public health and welfare concerning the agricultural  
40 products submitted to the district for harvesting,

1 processing, distributing, or transporting.

2 (d) The board may adopt rules on the priority of  
3 the use of district property and services, including  
4 the payment of fees.

5 Revised Law

6 Sec. 3001.106. EXECUTIVE DIRECTOR; EMPLOYEES. The board  
7 may employ:

8 (1) an executive director to manage the district's  
9 daily operations; and

10 (2) other persons necessary to carry out the  
11 district's duties. (Loc. Gov. Code, Sec. 384.086, as added Acts  
12 76th Leg., R.S., Ch. 1578.)

13 Source Law

14 Sec. 384.086. EMPLOYEES; EXECUTIVE  
15 DIRECTOR. A board may employ:

16 (1) an executive director to manage the  
17 district's day-to-day operations; and

18 (2) other persons necessary to carry out  
19 the district's duties.

20 Revised Law

21 Sec. 3001.107. ECONOMIC DEVELOPMENT. (a) The district  
22 may encourage state economic development as provided by this  
23 chapter, including making a loan or grant of public money for the  
24 purposes of this chapter.

25 (b) The district may encourage the economic development of  
26 the district by:

27 (1) fostering the growth of enterprises based on  
28 certain types of agriculture;

29 (2) stimulating innovation in certain agricultural  
30 enterprises;

31 (3) seeking to eliminate unemployment or  
32 underemployment in the state; and

33 (4) developing or expanding transportation resources.  
34 (Loc. Gov. Code, Sec. 384.042, as added Acts 76th Leg., R.S., Ch.  
35 1578.)

36 Source Law

37 Sec. 384.042. ECONOMIC DEVELOPMENT. (a) The  
38 district may encourage state economic development as  
39 provided by this chapter, including by making a loan or  
40 grant of public money for the purposes of this chapter.

1 (b) The district may encourage the economic  
2 development of the area in which the district is  
3 located by:

4 (1) fostering the growth of enterprises  
5 based on certain types of agriculture;

6 (2) stimulating innovation in certain  
7 agricultural enterprises;

8 (3) seeking to eliminate unemployment or  
9 underemployment in the state; and

10 (4) developing or expanding  
11 transportation resources.

12 Revised Law

13 Sec. 3001.108. AGRICULTURAL DEVELOPMENT. The district  
14 may:

15 (1) promote all agricultural enterprises, facilities,  
16 and services of the district; and

17 (2) encourage the maintenance and conservation of soil  
18 in the district. (Loc. Gov. Code, Sec. 384.043, as added Acts 76th  
19 Leg., R.S., Ch. 1578.)

20 Source Law

21 Sec. 384.043. AGRICULTURAL DEVELOPMENT. The  
22 district may:

23 (1) promote all agricultural enterprises,  
24 facilities, and services of the district; and

25 (2) encourage the maintenance and  
26 conservation of soil in the district.

27 Revised Law

28 Sec. 3001.109. SUGAR MILL OR OTHER ENTERPRISE. (a) The  
29 district may design, construct, and operate a sugar mill or other  
30 agricultural enterprise.

31 (b) The district may acquire property necessary for a sugar  
32 mill or other agricultural enterprise, including vehicles, farm  
33 equipment, other machinery, and related facilities for harvesting,  
34 processing, storing, distributing, and transporting sugar cane or  
35 other agricultural products or by-products. (Loc. Gov. Code, Sec.  
36 384.044, as added Acts 76th Leg., R.S., Ch. 1578.)

37 Source Law

38 Sec. 384.044. AGRICULTURAL DEVELOPMENT. The  
39 district may design, construct, and operate a sugar  
40 mill or other agricultural enterprise. The district  
41 may acquire property necessary for a sugar mill or  
42 other agricultural enterprise, including vehicles,  
43 farm equipment, and other machinery and related  
44 facilities for the harvesting, processing, storage,  
45 distribution, and transportation of sugar cane or  
46 other agricultural products or by-products.

1 Revised Law

2 Sec. 3001.110. DESIGNATION OF AGRICULTURAL  
3 PROJECTS. (a) The district may designate as an agricultural  
4 project a project that relates to:

5 (1) the development of agriculture in the district and  
6 surrounding areas; and

7 (2) the preservation and conservation of the soil in  
8 the district for agricultural purposes.

9 (b) A project designated under Subsection (a) is for a  
10 public purpose.

11 (c) The cost of a project, including interest during  
12 construction and the cost of issuing obligations, may be paid from  
13 any source.

14 (d) The implementation of a project is a governmental  
15 function or service for purposes of Chapter 791, Government Code.  
16 (Loc. Gov. Code, Sec. 384.045, as added Acts 76th Leg., R.S., Ch.  
17 1578.)

18 Source Law

19 Sec. 384.045. AGRICULTURAL PROJECTS. (a) The  
20 district may designate as an agricultural project a  
21 project that relates to the development of agriculture  
22 in the district and surrounding areas and the  
23 preservation and conservation of the soil in the  
24 district for agricultural purposes.

25 (b) A project designated under Subsection (a) is  
26 for a public purpose.

27 (c) The cost of a project, including interest  
28 during construction and costs of issuance of bonds,  
29 may be paid from any source.

30 (d) The implementation of a project is a  
31 governmental function or service for purposes of  
32 Chapter 791, Government Code.

33 Revised Law

34 Sec. 3001.111. AGRICULTURAL RESEARCH. The district may  
35 conduct or pay for research for agricultural purposes. (Loc. Gov.  
36 Code, Sec. 384.050, as added Acts 76th Leg., R.S., Ch. 1578.)

37 Source Law

38 Sec. 384.050. RESEARCH. The district may  
39 conduct or pay for research for agricultural purposes.

40 Revised Law

41 Sec. 3001.112. TRANSPORTATION. The district may encourage

1 the transportation and distribution of the district's agricultural  
2 products through the development and operation of transportation  
3 structures necessary to further the purposes of this chapter,  
4 including railroads and private roads. (Loc. Gov. Code, Sec.  
5 384.046(a), as added Acts 76th Leg., R.S., Ch. 1578.)

6 Source Law

7 Sec. 384.046. TRANSPORTATION DEVELOPMENT;  
8 NAVIGATION DISTRICT; LIMIT ON POWER. (a) The  
9 district may encourage the transportation and  
10 distribution of the district's agricultural products  
11 through the development and operation of  
12 transportation structures necessary to further the  
13 purposes of this chapter, including railroads and  
14 private roads.

15 Revised Law

16 Sec. 3001.113. RELATIONSHIP WITH NAVIGATION DISTRICT. The  
17 district may cooperate and contract with the Chambers-Liberty  
18 Counties Navigation District on any area of mutual interest. (Loc.  
19 Gov. Code, Sec. 384.046(b), as added Acts 76th Leg., R.S., Ch.  
20 1578.)

21 Source Law

22 (b) The district may cooperate and contract with  
23 the Chambers-Liberty Counties Navigation District on  
24 any area of mutual interest.

25 Revised Law

26 Sec. 3001.114. ACQUISITION OR DISPOSITION OF  
27 PROPERTY. The district may acquire or dispose of property in any  
28 manner, including by:

29 (1) conveyance;

30 (2) mortgage; or

31 (3) lease, as lessor or lessee. (Loc. Gov. Code, Sec.  
32 384.048, as added Acts 76th Leg., R.S., Ch. 1578.)

33 Source Law

34 Sec. 384.048. PROPERTY. The district may  
35 acquire or dispose of property in any manner,  
36 including by:

37 (1) conveyance;

38 (2) mortgage; or

39 (3) lease, as lessor or lessee.

40 Revised Law

41 Sec. 3001.115. EMINENT DOMAIN. The district may not

1 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
2 384.049, as added Acts 76th Leg., R.S., Ch. 1578.)

3 Source Law

4 Sec. 384.049. EMINENT DOMAIN. The district may  
5 not exercise the power of eminent domain.

6 Revised Law

7 Sec. 3001.116. ANNEXATION AND EXCLUSION OF  
8 TERRITORY. (a) The district may annex land as provided by Section  
9 49.301 or 49.302, Water Code, except that the references in those  
10 sections related to taxes do not apply. As provided by those  
11 sections, the district may annex land that is not adjacent or  
12 contiguous to the district.

13 (b) The board may call on its own motion a hearing on the  
14 question of the exclusion of land from the district as provided by  
15 Section 49.304 or 49.307, Water Code, if:

16 (1) the district does not have outstanding  
17 obligations; and

18 (2) the proposed exclusion is practicable, just, or  
19 desirable.

20 (c) The board shall call a hearing on the exclusion of land  
21 or other property from the district as provided by Section 49.304 or  
22 49.307, Water Code, if a property owner in the district files with  
23 the board secretary a written petition requesting the hearing  
24 before the issuance of an obligation. (Loc. Gov. Code, Sec.  
25 384.052, as added Acts 76th Leg., R.S., Ch. 1578.)

26 Source Law

27 Sec. 384.052. ANNEXATION; EXCLUDING  
28 TERRITORY. (a) The district may annex land as  
29 provided by Section 49.301 or 49.302, Water Code,  
30 except that the references in those sections related  
31 to taxes do not apply. As provided by those sections,  
32 the district may annex land that is not adjacent or  
33 contiguous to the district.

34 (b) The board on its own motion may call a  
35 hearing on the question of the exclusion of land from  
36 the district in the manner provided by Section 49.304  
37 or 49.307, Water Code, if:

38 (1) the district does not have outstanding  
39 bonds; and

40 (2) the proposed exclusion is practicable,  
41 just, or desirable.

42 (c) The board shall call a hearing on the

1 exclusion of land or other property from the district  
2 in the manner provided by Section 49.304 or 49.307,  
3 Water Code, if a property owner in the district files  
4 with the board secretary a written petition requesting  
5 the hearing before the issuance of a bond.

6 Revised Law

7 Sec. 3001.117. AGREEMENTS. (a) The district may:

8 (1) enter into an agreement with any person for any  
9 district purpose, including an agreement:

10 (A) to operate or maintain an agricultural  
11 enterprise under Sections 3001.108 and 3001.109; or

12 (B) with a municipality or county to provide law  
13 enforcement service in the district on a fee basis; and

14 (2) accept a loan from any person.

15 (b) The district, county, and any other political  
16 subdivision, without further authorization, may contract to  
17 implement a project or assist the district in providing a service  
18 authorized by this chapter. A contract under this subsection may  
19 provide:

20 (1) for payment from a district assessment or other  
21 revenue; or

22 (2) that an assessment or other revenue collected from  
23 a project, or from a person using or purchasing a commodity or  
24 service from a project, may be paid or rebated to the district.

25 (Loc. Gov. Code, Sec. 384.047(a) (part), (b), as added Acts 76th  
26 Leg., R.S., Ch. 1578.)

27 Source Law

28 Sec. 384.047. AGREEMENTS; DONATIONS. (a) The  
29 district may:

30 (1) make an agreement with any person for  
31 any district purpose, including an agreement:

32 (A) to operate or maintain an  
33 agricultural enterprise under Sections 384.043 and  
34 384.044; or

35 (B) with a municipality or county to  
36 provide law enforcement service in the district on a  
37 fee basis; or

38 (2) accept a . . . loan from any person.

39 (b) The district, county, and any other  
40 political subdivision, without further authorization,  
41 may contract to implement a district project or assist  
42 the district in providing a service authorized by this  
43 chapter. A contract under this subsection may  
44 provide:

45 (1) for payment from a district assessment

1 or other revenue; or  
2 (2) that an assessment or other revenue  
3 collected from a district project, or from a person  
4 using or purchasing a commodity or service from a  
5 district project, may be paid or rebated to the  
6 district.

7 Revised Law

8 Sec. 3001.118. DONATIONS; GRANTS. The district may accept  
9 a donation or grant from any person. (Loc. Gov. Code, Sec.  
10 384.047(a) (part), as added Acts 76th Leg., R.S., Ch. 1578.)

11 Source Law

12 Sec. 384.047. AGREEMENTS; DONATIONS. (a) The  
13 district may:

14 . . .  
15 (2) accept a donation, grant,  
16 or . . . from any person.

17 Revised Law

18 Sec. 3001.119. HEARINGS. (a) The board may conduct  
19 hearings and take evidence on any matter before the board.

20 (b) The board may appoint a hearings examiner to conduct a  
21 hearing called by the board. The hearings examiner may be a  
22 district employee or director. (Loc. Gov. Code, Sec. 384.085, as  
23 added Acts 76th Leg., R.S., Ch. 1578.)

24 Source Law

25 Sec. 384.085. HEARING. (a) The board may  
26 conduct hearings and take evidence on any matter  
27 before the board.

28 (b) The board may appoint a hearings examiner to  
29 conduct a hearing called by the board. The hearings  
30 examiner may be a district employee or director.

31 Revised Law

32 Sec. 3001.120. SUITS. (a) The district may sue and be  
33 sued.

34 (b) In a suit against the district, process may be served on  
35 a director or registered agent.

36 (c) The district may not be required to give a bond on an  
37 appeal or writ of error in a civil case that the district is  
38 prosecuting or defending. (Loc. Gov. Code, Secs. 384.051(a), (b),  
39 (c), as added Acts 76th Leg., R.S., Ch. 1578.)

40 Source Law

41 Sec. 384.051. SUITS. (a) The district may sue  
42 and be sued.

1 (b) In a suit against the district, process may  
2 be served on a director or registered agent.

3 (c) The district may not be required to give a  
4 bond on an appeal or writ of error in a civil case that  
5 the district is prosecuting or defending.

6 Revised Law

7 Sec. 3001.121. INDEMNIFICATION. The district may  
8 indemnify a director or district employee or a former director or  
9 district employee for reasonable expenses and costs, including  
10 attorney's fees, incurred by the person in connection with a claim  
11 or charge asserted against the person if:

12 (1) the claim or charge relates to an act or omission  
13 of the person when acting in the scope of the person's board  
14 membership or district employment; and

15 (2) the person has not been found liable on the claim  
16 or guilty on the charge. (Loc. Gov. Code, Sec. 384.051(d), as added  
17 Acts 76th Leg., R.S., Ch. 1578.)

18 Source Law

19 (d) The district may indemnify a director or  
20 district employee or a former director or district  
21 employee for reasonable expenses and costs, including  
22 attorney's fees, incurred by that person in connection  
23 with a claim asserted against that person if:

24 (1) the claim relates to an act or omission  
25 of the person when acting in the scope of the person's  
26 board membership or district employment; and

27 (2) the person has not been found liable or  
28 guilty on the claim.

29 Revisor's Note

30 Section 384.051(d), Local Government Code,  
31 refers to a "claim" and to a person being "found liable  
32 or guilty" on the claim. The revised law substitutes  
33 appropriate references to a "claim or charge," because  
34 finding a person to be "guilty" implies a criminal  
35 proceeding and "charge" is the term used in criminal  
36 law that is comparable to a "claim" in the context of a  
37 civil proceeding.

38 Revised Law

39 Sec. 3001.122. OFFICIAL SEAL. The district may adopt an  
40 official seal for the district. (Loc. Gov. Code, Sec. 384.054, as  
41 added Acts 76th Leg., R.S., Ch. 1578.)

1                                    Source Law

2                    Sec. 384.054. OFFICIAL SEAL. The district may  
3                    adopt or alter an official seal for the district.

4                                    Revisor's Note

5                    Section 384.054, Local Government Code, provides  
6                    that the district may "adopt or alter" an official  
7                    seal. The revised law omits the reference to altering  
8                    an official seal because the continuing authority  
9                    granted to the district to adopt an official seal  
10                   includes the power to alter that seal in adopting a new  
11                   official seal for the district.

12                   [Sections 3001.123-3001.150 reserved for expansion]

13                                    SUBCHAPTER D. FINANCES AND OBLIGATIONS

14                                    Revised Law

15                    Sec. 3001.151. POWERS            AND            DUTIES            RELATED            TO  
16                    FINANCES. (a) The district may:

- 17                    (1) acquire and dispose of money;
- 18                    (2) impose a charge for using a facility or a service  
19                    the district provides;
- 20                    (3) issue an obligation as provided by this  
21                    subchapter;
- 22                    (4) borrow money;
- 23                    (5) loan money;
- 24                    (6) invest money under its control in an investment  
25                    permitted by Chapter 2256, Government Code;
- 26                    (7) select a depository;
- 27                    (8) establish a system of accounts for the district;
- 28                    and
- 29                    (9) set the fiscal year for the district.

30                    (b) The district shall endeavor to raise revenue sufficient  
31                    to pay the district's debts.

32                    (c) The board by rule shall establish the procedure and  
33                    number of directors' signatures required to disburse or transfer  
34                    district money. (Loc. Gov. Code, Sec. 384.101, as added Acts 76th

1 Leg., R.S., Ch. 1578.)

2 Source Law

3 Sec. 384.101. MISCELLANEOUS FINANCIAL POWERS  
4 AND DUTIES. (a) The district may:

- 5 (1) acquire and dispose of money;
- 6 (2) impose a charge for using a facility or  
7 a service the district provides;
- 8 (3) issue a bond as provided by this  
9 subchapter;
- 10 (4) borrow money;
- 11 (5) loan money;
- 12 (6) invest money under its control in an  
13 investment permitted by Chapter 2256, Government Code;
- 14 (7) select a depository;
- 15 (8) establish a system of accounts for the  
16 district; and
- 17 (9) set the fiscal year for the district.

18 (b) The district shall endeavor to raise revenue  
19 sufficient to pay its debts.

20 (c) The board by rule shall establish the  
21 procedure and number of directors' signatures required  
22 to disburse or transfer district money.

23 Revised Law

24 Sec. 3001.152. OBLIGATIONS. (a) The district may issue  
25 any type of obligation for any district purpose. An obligation may  
26 be issued under Chapter 1371, Government Code.

27 (b) When authorizing the issuance of an obligation, the  
28 district may also authorize the later issuance of a parity or  
29 subordinate lien obligation.

30 (c) A district obligation must:

31 (1) mature not later than the 40th anniversary of the  
32 date of issuance; and

33 (2) state on its face that the obligation is not a  
34 state obligation.

35 (d) A district obligation may be payable from or secured by:

36 (1) any source of money, including district revenue,  
37 loans, or assessments; or

38 (2) a lien, pledge, mortgage, or other security  
39 interest on district revenue or property.

40 (e) The district may use obligation proceeds for any  
41 purpose, including to pay:

42 (1) into a reserve fund for debt service;

43 (2) for the repair or replacement of property,

1 including buildings and equipment;

2 (3) interest on obligations; or

3 (4) for the operation of a sugar mill or other  
4 agricultural enterprise.

5 (f) The district may contract with an obligation holder to  
6 impose an assessment to pay for the operation of a sugar mill or  
7 other agricultural enterprise. (Loc. Gov. Code, Sec. 384.102, as  
8 added Acts 76th Leg., R.S., Ch. 1578.)

9 Source Law

10 Sec. 384.102. BONDS. (a) The district may  
11 issue any type of bond for any district purpose. A  
12 bond may be issued under Chapter 1371, Government  
13 Code.

14 (b) When authorizing the issuance of a bond, the  
15 district may also authorize the later issuance of a  
16 parity or subordinate lien bond.

17 (c) A district bond must:

18 (1) mature not later than 40 years after  
19 its date of issuance; and

20 (2) state on its face that the bond is not  
21 an obligation of the state.

22 (d) A district bond may be payable from or  
23 secured by:

24 (1) any source of money, including  
25 district revenue, loans, or assessments; or

26 (2) a lien, pledge, mortgage, or other  
27 security interest on district revenue or property.

28 (e) The district may use bond proceeds for any  
29 purpose, including to pay:

30 (1) into a reserve fund for debt service;

31 (2) for the repair or replacement of  
32 property, including buildings and equipment;

33 (3) interest on bonds; or

34 (4) for the operation of a sugar mill or  
35 other agricultural enterprise.

36 (f) The district may contract with a bondholder  
37 to impose an assessment to pay for the operation of a  
38 sugar mill or other agricultural enterprise.

39 Revised Law

40 Sec. 3001.153. APPROVAL OF ASSESSMENT OBLIGATIONS. An  
41 obligation secured by an assessment may not be issued unless the  
42 district receives a written petition requesting the assessment and  
43 issuance of obligations. The petition must be signed by each owner  
44 of the property proposed for assessment. (Loc. Gov. Code, Sec.  
45 384.103, as added Acts 76th Leg., R.S., Ch. 1578.)

46 Source Law

47 Sec. 384.103. APPROVAL OF ASSESSMENT BONDS. A  
48 bond secured by an assessment may not be issued unless  
49 the district receives a written petition requesting

1 the assessment and the issuance of bonds that is signed  
2 by each owner of the property being assessed.

3 [Sections 3001.154-3001.200 reserved for expansion]

4 SUBCHAPTER E. ASSESSMENTS

5 Revised Law

6 Sec. 3001.201. GENERAL POWERS RELATED TO  
7 ASSESSMENTS. (a) The board may impose an assessment:

8 (1) for a district expense;

9 (2) to finance a project or district service; or

10 (3) for any other purpose authorized by this chapter.

11 (b) Money derived from an assessment for one purpose may not  
12 be borrowed for use for another purpose for which an assessment is  
13 imposed.

14 (c) The board shall establish a procedure for the  
15 distribution or use of money derived from an assessment that  
16 exceeds the amount of money necessary to accomplish the purpose for  
17 which the assessment was collected. (Loc. Gov. Code, Sec. 384.111,  
18 as added Acts 76th Leg., R.S., Ch. 1578.)

19 Source Law

20 Sec. 384.111. GENERAL POWERS. (a) The board  
21 may impose an assessment:

22 (1) for a district expense;

23 (2) to finance a project or district  
24 service; or

25 (3) for any other purpose authorized by  
26 this chapter.

27 (b) Money derived from an assessment for one  
28 purpose may not be borrowed to be used for another  
29 purpose for which an assessment is imposed.

30 (c) The board shall establish a procedure for  
31 the distribution or use of money derived from an  
32 assessment that exceeds the amount of money necessary  
33 to accomplish the purpose for which the assessment was  
34 collected.

35 Revised Law

36 Sec. 3001.202. AREA TO BE ASSESSED; LIMITATIONS. (a) The  
37 board may impose an assessment only on property included in a  
38 petition for assessment.

39 (b) The owner of an improvement constructed in the district,  
40 or of land annexed to the district, after the district imposed an  
41 assessment may waive the right to notice and an assessment hearing  
42 and may agree to the imposition of the assessment on the improvement

1 or land and payment of the assessment at an agreed rate.

2 (c) The district may not impose an assessment on the  
3 property of a person that provides gas, electricity, telephone,  
4 sewage, or water service to the public. (Loc. Gov. Code, Sec.  
5 384.112, as added Acts 76th Leg., R.S., Ch. 1578.)

6 Source Law

7 Sec. 384.112. AREA TO BE ASSESSED;  
8 LIMITS. (a) The board may impose an assessment only  
9 on property included in a petition for assessment.

10 (b) The owner of an improvement constructed in  
11 the district, or of land annexed to the district, after  
12 the district imposed an assessment may waive the right  
13 to notice and an assessment hearing and may agree to  
14 the imposition of the assessment on the improvement or  
15 land and payment of the assessment at an agreed rate.

16 (c) The district may not impose an assessment on  
17 a utility's property. For purposes of this subsection,  
18 "utility" means a person that provides to the public  
19 gas, electricity, telephone, sewage, or water service.

20 Revised Law

21 Sec. 3001.203. HEARING AND PETITION REQUIRED. The board  
22 may impose an assessment only if:

23 (1) a written petition has been filed with the board  
24 that:

25 (A) requests the assessment;

26 (B) states the specific purpose of the  
27 assessment; and

28 (C) is signed by each owner of the property to be  
29 assessed;

30 (2) two-thirds of the board votes to impose the  
31 assessment;

32 (3) the board provides notice of a hearing on the  
33 proposal under Section 3001.209; and

34 (4) the board holds a hearing on the advisability of  
35 the assessment under Section 3001.210. (Loc. Gov. Code, Sec.  
36 384.113, as added Acts 76th Leg., R.S., Ch. 1578.)

37 Source Law

38 Sec. 384.113. HEARING AND PETITION  
39 REQUIRED. The board may impose an assessment only if:

40 (1) a written petition has been filed with  
41 the board that:

42 (A) requests the assessment;

1 (B) states the specific purpose of  
2 the assessment; and

3 (C) is signed by each owner of the  
4 property to be assessed;

5 (2) two-thirds of the board votes to  
6 impose the assessment;

7 (3) the board provides notice of a hearing  
8 on the proposal under Section 384.119; and

9 (4) the board holds a hearing on the  
10 advisability of the assessment under Section 384.120.

11 Revised Law

12 Sec. 3001.204. APPORTIONMENT OF COSTS. (a) The board  
13 shall apportion the cost of an assessment to property according to  
14 the special benefits accruing to the property because of the  
15 project or service to be financed by the assessment. The cost may  
16 be assessed:

17 (1) equally by front foot or by square foot of land  
18 area;

19 (2) equally by acreage of land;

20 (3) according to the value of the property as  
21 determined by the board; or

22 (4) according to any other reasonable assessment plan  
23 that imposes a fair share of the cost on property similarly  
24 benefited.

25 (b) In making the determination under Subsection (a)(3),  
26 the board may consider the value of a structure or improvement on  
27 the property. (Loc. Gov. Code, Sec. 384.114, as added Acts 76th  
28 Leg., R.S., Ch. 1578.)

29 Source Law

30 Sec. 384.114. APPORTIONMENT OF COST. The board  
31 shall apportion the cost of an assessment to property  
32 according to the special benefits accruing to the  
33 property because of the project or service to be  
34 financed by the assessment. The cost may be assessed:

35 (1) equally by front foot or by square foot  
36 of land area;

37 (2) equally by acreage of land;

38 (3) against property according to the  
39 value of the property as determined by the board, which  
40 may consider the value of a structure or improvement on  
41 the property; or

42 (4) on any other reasonable assessment  
43 plan that imposes a fair share of the cost on property  
44 similarly benefited.

45 Revised Law

46 Sec. 3001.205. ASSESSMENT TO FINANCE PROJECT OR

1 SERVICE. (a) If the board determines the total cost of an  
2 assessment to finance a project or service, the board shall impose  
3 the assessment against each parcel of land against which an  
4 assessment may be imposed in the district.

5 (b) The board may impose an annual assessment for a service.  
6 The amount of an annual service assessment may vary from year to  
7 year, but may not be higher than the initial assessment. (Loc. Gov.  
8 Code, Sec. 384.115, as added Acts 76th Leg., R.S., Ch. 1578.)

9 Source Law

10 Sec. 384.115. ASSESSMENT TO FINANCE A PROJECT  
11 OR SERVICE. If the board determines the total cost of  
12 an assessment to finance a project or service, the  
13 board shall impose the assessment against each parcel  
14 of land against which an assessment may be imposed in  
15 the district. The board may impose an annual  
16 assessment for a service. The amount of an annual  
17 service assessment may vary from year to year, but may  
18 not be higher than the initial assessment.

19 Revised Law

20 Sec. 3001.206. ASSESSMENT ROLL. (a) The board shall  
21 prepare and maintain an assessment roll showing:

- 22 (1) the assessment against each property; and  
23 (2) the board's basis for the assessment.

24 (b) The board shall allow the public to inspect the  
25 assessment roll. (Loc. Gov. Code, Sec. 384.116, as added Acts 76th  
26 Leg., R.S., Ch. 1578.)

27 Source Law

28 Sec. 384.116. ASSESSMENT ROLL. (a) The board  
29 shall prepare and maintain an assessment roll showing  
30 the assessment against each property and the board's  
31 basis for the assessment.  
32 (b) The board shall allow the public to inspect  
33 the assessment roll.

34 Revised Law

35 Sec. 3001.207. ASSESSMENT AS LIEN. (a) An assessment,  
36 including an assessment resulting from an addition or correction to  
37 the assessment roll, penalties and interest on an assessment, an  
38 assessment collection expense, and reasonable attorney's fees  
39 incurred by the district in collecting an assessment are:

- 40 (1) a first and prior lien against the property

1 assessed;

2 (2) superior to any other lien or claim other than a  
3 lien or claim for county, school district, or municipal ad valorem  
4 taxes; and

5 (3) the personal liability of and charge against the  
6 owners of the property, even if the owners are not named in an  
7 assessment proceeding.

8 (b) The lien is effective from the date of the order  
9 imposing the assessment until the date the assessment is paid.  
10 (Loc. Gov. Code, Sec. 384.117, as added Acts 76th Leg., R.S., Ch.  
11 1578.)

12 Source Law

13 Sec. 384.117. INTEREST ON ASSESSMENTS;  
14 LIEN. (a) An assessment, including an assessment  
15 resulting from an addition or correction to the  
16 assessment roll, penalties and interest on an  
17 assessment, assessment collection expenses, and  
18 reasonable attorney's fees incurred by the district in  
19 collecting an assessment are:

20 (1) a first and prior lien against the  
21 property assessed;

22 (2) superior to any other lien or claim  
23 other than a lien or claim for county, school district,  
24 or municipal ad valorem taxes; and

25 (3) the personal liability of and charge  
26 against the owners of the property, even if the owners  
27 are not named in an assessment proceeding.

28 (b) The lien is effective from the date of the  
29 order imposing the assessment until the assessment is  
30 paid.

31 Revised Law

32 Sec. 3001.208. CORRECTION OF MISTAKE. After notice and  
33 hearing in the manner required for an original assessment, the  
34 board may impose an assessment to correct a mistake in the  
35 assessment that:

36 (1) relates to the total cost of the assessment; or

37 (2) covers a delinquency or collection costs. (Loc.  
38 Gov. Code, Sec. 384.118, as added Acts 76th Leg., R.S., Ch. 1578.)

39 Source Law

40 Sec. 384.118. MISTAKES. After notice and  
41 hearing in the manner required for an original  
42 assessment, the board may impose an assessment to  
43 correct a mistake in the assessment:

44 (1) relating to the total cost of the  
45 assessment; or

1 (2) covering a delinquency or collection  
2 costs.

3 Revised Law

4 Sec. 3001.209. NOTICE OF HEARING ON PROPOSED  
5 ASSESSMENT. (a) The board shall provide notice of a hearing for a  
6 proposed assessment in a newspaper with general circulation in  
7 Chambers County. The publication must be made not later than the  
8 30th day before the date of the hearing.

9 (b) The notice must include the:

10 (1) time and place of the hearing;

11 (2) purpose for the proposed assessment;

12 (3) estimated cost of the purpose for which the  
13 assessment is proposed, including interest during construction and  
14 associated financing costs; and

15 (4) proposed assessment method.

16 (c) Not later than the 30th day before the date of the  
17 hearing, the board shall mail written notice containing the  
18 information required by Subsection (b) to each property owner in  
19 the district that will be subject to the assessment at the current  
20 address of the owner of the property to be assessed, as reflected on  
21 the tax rolls. (Loc. Gov. Code, Sec. 384.119, as added Acts 76th  
22 Leg., R.S., Ch. 1578.)

23 Source Law

24 Sec. 384.119. NOTICE OF HEARING. (a) The  
25 board shall provide notice of a hearing in a newspaper  
26 with general circulation in the county. The  
27 publication must be made not later than the 30th day  
28 before the date of the hearing.

29 (b) The notice must include the:

30 (1) time and place of the hearing;

31 (2) purpose for the proposed assessment;

32 (3) estimated cost of the purpose for  
33 which the assessment is proposed, including interest  
34 during construction and associated financing costs;  
35 and

36 (4) proposed assessment method.

37 (c) Not later than the 30th day before the date  
38 of the hearing, the board shall mail written notice  
39 containing the information required by Subsection (b)  
40 to each property owner in the district that will be  
41 subject to the assessment at the current address of the  
42 owner of the property to be assessed, as reflected on  
43 the tax rolls.

1 Revised Law

2 Sec. 3001.210. CONDUCT OF HEARING; FINDINGS. (a) The  
3 board or hearings examiner shall hear and rule on all objections to  
4 a proposed assessment.

5 (b) A hearing on a proposed assessment may be adjourned from  
6 time to time.

7 (c) The board or hearings examiner shall make findings  
8 relating to the:

9 (1) advisability of the assessment, including the  
10 purpose of the assessment;

11 (2) estimated cost of the assessment;

12 (3) area benefited by the assessment;

13 (4) method of assessment; and

14 (5) method and time for payment of the assessment.

15 (d) If a hearings examiner conducts the hearing, the  
16 examiner shall file with the board a report on the examiner's  
17 findings under Subsection (c). (Loc. Gov. Code, Secs. 384.120(a),  
18 (b), (c), (d), as added Acts 76th Leg., R.S., Ch. 1578.)

19 Source Law

20 Sec. 384.120. CONDUCT OF HEARING. (a) A  
21 hearing on a proposed assessment may be adjourned from  
22 time to time.

23 (b) If a hearings examiner conducts the hearing,  
24 the examiner shall file with the board a report on the  
25 examiner's findings under Subsection (d).

26 (c) The board or hearings examiner shall hear  
27 and rule on all objections to a proposed assessment.

28 (d) The board or hearings examiner shall make  
29 findings relating to the:

30 (1) advisability of the assessment,  
31 including the purpose of the assessment;

32 (2) estimated cost of the assessment;

33 (3) area benefited by the assessment;

34 (4) method of assessment; and

35 (5) method and time for payment of the  
36 assessment.

37 Revised Law

38 Sec. 3001.211. BOARD ORDER IMPOSING  
39 ASSESSMENT. (a) After receiving or issuing the findings required  
40 by Section 3001.210(c), the board by order:

41 (1) shall:

42 (A) impose the assessment as a special assessment

1 on the property; and

2 (B) specify the method of payment on the  
3 assessment; and

4 (2) may:

5 (A) amend a proposed assessment for any parcel;

6 (B) require an assessment to be paid in periodic  
7 installments, including interest;

8 (C) require an interest charge or penalty for a  
9 failure to make timely payment; or

10 (D) charge an amount to cover a delinquency or  
11 collection expense.

12 (b) If the board orders that an assessment may be paid in  
13 periodic installments, the installments must:

14 (1) be in amounts sufficient to meet the annual costs  
15 of the project or service for which the assessment is imposed; and

16 (2) continue for the number of years required to  
17 retire the indebtedness or pay for the project or service for which  
18 the assessment is imposed. (Loc. Gov. Code, Secs. 384.120(e), (f),  
19 as added Acts 76th Leg., R.S., Ch. 1578.)

20 Source Law

21 (e) After receiving or issuing the findings  
22 required by Subsection (d), the board by order:

23 (1) shall:

24 (A) impose the assessment as a  
25 special assessment on the property; and

26 (B) specify the method of payment on  
27 the assessment; and

28 (2) may:

29 (A) amend a proposed assessment for  
30 any parcel;

31 (B) require an assessment to be paid  
32 in periodic installments, including interest;

33 (C) require an interest charge or  
34 penalty for a failure to make timely payment; or

35 (D) charge an amount to cover a  
36 delinquency or collection expense.

37 (f) If the board orders that an assessment may  
38 be paid in periodic installments, the installments  
39 must:

40 (1) be in amounts sufficient to meet the  
41 annual costs of the project or service for which the  
42 assessment is imposed; and

43 (2) continue for the number of years  
44 required to retire the indebtedness or pay for the  
45 project or service for which the assessment is  
46 imposed.

1 Revised Law

2 Sec. 3001.212. REHEARING. A motion for rehearing is  
3 subject to Section 2001.146, Government Code, except that the  
4 property owner must file the motion for rehearing not later than the  
5 30th day after the date on which the assessment order is issued.  
6 (Loc. Gov. Code, Sec. 384.121, as added Acts 76th Leg., R.S., Ch.  
7 1578.)

8 Source Law

9 Sec. 384.121. REHEARING. Section 2001.146,  
10 Government Code, applies to a motion for rehearing  
11 except that the property owner must file the motion for  
12 rehearing not later than the 30th day after the date on  
13 which the assessment order is issued.

14 Revised Law

15 Sec. 3001.213. NOTICE OF ASSESSMENT. Not later than the  
16 30th day after the date on which an assessment order is issued, the  
17 district shall file a notice of the assessment in the deed records  
18 of the county in which the property to be assessed is located. The  
19 notice must:

20 (1) provide a legal description of the property  
21 subject to the assessment;

22 (2) state the name of the owner of the property subject  
23 to the assessment; and

24 (3) describe how to contact the district for further  
25 information about the assessment. (Loc. Gov. Code, Sec. 384.122,  
26 as added Acts 76th Leg., R.S., Ch. 1578.)

27 Source Law

28 Sec. 384.122. FILING OF NOTICE OF  
29 ASSESSMENT. Not later than the 30th day after the  
30 date on which an assessment order is issued, the  
31 district shall file a notice of the assessment in the  
32 deed records of the county in which the property to be  
33 assessed is located. The notice must:

34 (1) provide a legal description of the  
35 property that is subject to the assessment;

36 (2) state the name of the owner of the  
37 property that is subject to the assessment; and

38 (3) describe how to contact the district  
39 for further information about the assessment.

40 Revised Law

41 Sec. 3001.214. APPEAL TO COURT. (a) A property owner

1 against whom an assessment is imposed may appeal the assessment to a  
2 district court in the county in which the property is located in the  
3 manner provided for the appeal of a contested case under Chapter  
4 2001, Government Code.

5 (b) The owner must file the notice of appeal with the court  
6 not later than the 30th day after the date the board decision  
7 becomes final.

8 (c) The court shall review the appeal by trial de novo.  
9 (Loc. Gov. Code, Sec. 384.123, as added Acts 76th Leg., R.S., Ch.  
10 1578.)

#### 11 Source Law

12 Sec. 384.123. APPEAL TO COURT. (a) A property  
13 owner against whom an assessment is imposed may appeal  
14 the assessment to a district court in the county in  
15 which the property is located in the manner provided  
16 for the appeal of a contested case under Chapter 2001,  
17 Government Code.

18 (b) The owner must file the notice of appeal  
19 with the court not later than the 30th day after the  
20 board decision becomes final.

21 (c) The court shall review the appeal by trial  
22 de novo.

#### 23 Revised Law

24 Sec. 3001.215. NEW ASSESSMENT AFTER INVALID PRIOR  
25 ASSESSMENT. If the board determines or a court holds that an  
26 assessment is invalid, the board may impose a new assessment in  
27 accordance with the procedures provided by this subchapter. (Loc.  
28 Gov. Code, Sec. 384.124, as added Acts 76th Leg., R.S., Ch. 1578.)

#### 29 Source Law

30 Sec. 384.124. ASSESSMENT AFTER APPEAL. If the  
31 board determines or a court holds that an assessment is  
32 invalid, the board may impose a new assessment in  
33 accordance with the procedures provided by this  
34 subchapter.

35 [Sections 3001.216-3001.250 reserved for expansion]

#### 36 SUBCHAPTER F. DISSOLUTION

#### 37 Revised Law

38 Sec. 3001.251. DISSOLUTION. The board may dissolve the  
39 district if all district debts and obligations have been  
40 discharged. (Loc. Gov. Code, Sec. 384.141, as added Acts 76th Leg.,  
41 R.S., Ch. 1578.)

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Source Law

Sec. 384.141. DISSOLUTION. The district dissolves if:  
(1) a majority of the board votes for dissolution; and  
(2) all district debts and obligations have been discharged.

Revisor's Note

Section 384.141, Local Government Code, refers to dissolution of the district after a vote by "a majority of the board." The revised law omits the reference to a "majority" because it duplicates general law. Section 311.013(a), Government Code (Code Construction Act), provides that authority given jointly to three or more persons as a public body may be executed by a majority of them. That provision applies to the board of directors of the district.

[Chapters 3002-3500 reserved for expansion]

SUBTITLE B. DEFENSE BASE DEVELOPMENT

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7 CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Revised Law

10 Sec. 3501.001. DEFINITIONS. In this chapter:

11 (1) "Authority" means the Lubbock Reese Redevelopment  
12 Authority.

13 (2) "Base property" means land described by Section  
14 3501.002(a), including any property used in connection with or  
15 comprising the former Reese Air Force Base.

16 (3) "Board" means the board of directors of the  
17 authority. (Loc. Gov. Code, Secs. 396.001(1), (2), (3), 396.010  
18 (part).)

19 Source Law

20 Sec. 396.001. DEFINITIONS. In this  
21 subchapter:

22 (1) "Authority" means the Lubbock Reese  
23 Redevelopment Authority.

24 (2) "Base property" means land described  
25 by Section 396.009.

26 (3) "Board" means the board of directors  
27 of the authority.

28 Sec. 396.010. FINDINGS RELATED TO TRACTS. The  
29 legislature finds that the authority includes the  
30 tracts of land specifically described by Section  
31 396.009 and includes . . . any other property used in  
32 connection with or comprising Reese Air Force  
33 Base . . . .

34 Revisor's Note

35 Sections 396.001(4) and (5), Local Government  
36 Code, respectively define "county" as Lubbock County  
37 and "municipality" as the City of Lubbock. The revised  
38 law omits the definitions for ease of understanding.  
39 Throughout this chapter, the revised law instead  
40 refers to Lubbock County and the City of Lubbock. The

1 omitted law reads:

- 2 (4) "County" means Lubbock  
3 County.  
4 (5) "Municipality" means the  
5 City of Lubbock.

6 Revised Law

7 Sec. 3501.002. AUTHORITY TERRITORY. (a) The authority's  
8 territory is that described by Section 13.10, Chapter 62, Acts of  
9 the 76th Legislature, Regular Session, 1999, enacting former  
10 Section 396.009, Local Government Code, and includes all other real  
11 property, related interests, including fee interests, perpetual  
12 and other easements, licenses, leases, and any other property used  
13 in connection with or comprising Reese Air Force Base and as may be  
14 shown by instruments recorded in the real property records of  
15 Lubbock and Terry counties.

16 (b) The authority's territory does not include property  
17 conveyed by the United States before June 17, 1997, as shown by  
18 instruments recorded in the real property records of Lubbock and  
19 Terry counties. (Loc. Gov. Code, Secs. 396.002 (part), 396.010  
20 (part).)

21 Source Law

22 Sec. 396.002. [The authority is established as  
23 a political subdivision], with boundaries the same as  
24 the boundaries described by Section 396.009, . . . .

25 Sec. 396.010. . . . the authority includes the  
26 tracts of land specifically described by Section  
27 396.009 and includes all other real property, related  
28 interests, including fee interests, perpetual and  
29 other easements, licenses, leases, and any other  
30 property used in connection with or comprising Reese  
31 Air Force Base and as may be shown by instruments  
32 recorded in the real property records of Lubbock and  
33 Terry counties. The property within the  
34 jurisdictional boundaries of the authority excludes  
35 any property previously transferred by the United  
36 States of America pursuant to conveyances of record in  
37 Lubbock and Terry counties.

38 Revisor's Note

39 (1) Section 396.010, Local Government Code,  
40 refers to property "previously transferred." Property  
41 "previously transferred" refers to property that was  
42 transferred before the effective date of the original

1 act enacting Chapter 2311, Government Code, Chapter  
2 703, Acts of the 75th Legislature, Regular Session,  
3 1997. That act was effective June 17, 1997. The  
4 revised law accordingly substitutes  
5 "conveyed . . . before June 17, 1997," for the quoted  
6 language.

7 (2) The revision of the law governing the  
8 Lubbock Reese Redevelopment Authority does not revise  
9 the statutory language describing the territory of the  
10 authority to avoid the lengthy recitation of the  
11 description and because that description may not be  
12 accurate at the time of the revision or of a later  
13 reading. For the reader's convenience, the revised law  
14 adds references to the statutory description of the  
15 authority's territory.

16 Revised Law

17 Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY. (a) The  
18 purpose of the authority is to undertake projects necessary or  
19 incidental to the industrial, commercial, or business development,  
20 redevelopment, maintenance, and expansion of new and existing  
21 businesses on the property, now or formerly known as Reese Air Force  
22 Base, described in Section 3501.002(a), including the acquisition,  
23 construction, operation, maintenance, enhancement, or disposal of:

- 24 (1) roads, bridges, and rights-of-way;  
25 (2) housing;  
26 (3) property;  
27 (4) police, fire, medical, cultural, educational, and  
28 research services, equipment, institutions, and resources;  
29 (5) other community support services;  
30 (6) flood control, water, wastewater treatment, and  
31 all other utility facilities; and  
32 (7) other infrastructure improvements.

33 (b) The authority is a political subdivision of this state  
34 that exercises public and essential governmental functions.

1 (c) The exercise of a power this chapter grants is for a  
2 public purpose and is a matter of public necessity.

3 (d) The authority is a governmental unit under Chapter 101,  
4 Civil Practice and Remedies Code. The operations of the authority  
5 are not proprietary functions for any purpose, including the  
6 application of Chapter 101, Civil Practice and Remedies Code.  
7 (Loc. Gov. Code, Secs. 396.001(6), 396.002 (part), 396.004(b), (c),  
8 (d), (e).)

9 Source Law

10 [Sec. 396.001]

11 (6) "Eligible project" means a project  
12 necessary or incidental to the industrial, commercial,  
13 or business development, redevelopment, maintenance,  
14 and expansion of new and existing businesses on the  
15 property, now or formerly known as Reese Air Force  
16 Base, described in Section 396.009, including the  
17 acquisition, construction, operation, maintenance,  
18 enhancement, or disposal of:

19 (A) roads, bridges, and  
20 rights-of-way;

21 (B) housing;

22 (C) real and personal property;

23 (D) police, fire, medical, cultural,  
24 educational, and research services, equipment,  
25 institutions, and resources;

26 (E) other community support  
27 services;

28 (F) flood control, water, wastewater  
29 treatment, and all other utility facilities; and

30 (G) other infrastructure  
31 improvements.

32 Sec. 396.002. ESTABLISHMENT. The authority is  
33 established as a political subdivision . . . on  
34 adoption of resolutions by both the municipality and  
35 the county authorizing the authority's establishment.

36 [Sec. 396.004]

37 (b) The authority is a public political entity  
38 and corporate body that exercises public and essential  
39 governmental functions.

40 (c) The exercise of a power granted by this  
41 subchapter is for a public purpose and is a matter of  
42 public necessity.

43 (d) The authority is a governmental unit under  
44 Chapter 101, Civil Practice and Remedies Code. The  
45 operations of the authority are not proprietary  
46 functions for any purpose, including the application  
47 of Chapter 101, Civil Practice and Remedies Code.

48 (e) The authority is created to undertake  
49 eligible projects as defined in Section 396.001(6).

50 Revisor's Note

51 (1) Section 396.001(6), Local Government Code,  
52 refers to "real and personal" property. The revised

1 law omits the quoted language because Section  
2 311.005(4), Government Code (Code Construction Act),  
3 defines "property" as "real and personal" property.  
4 That definition applies to the revised law.

5 (2) Section 396.002, Local Government Code,  
6 refers to the authority as a "political subdivision,"  
7 and Section 396.004(b), Local Government Code, refers  
8 to the authority as a "public political entity and  
9 corporate body." The revised law omits the quoted  
10 language because the meaning of those terms is  
11 included in the meaning of "political subdivision."

12 (3) Section 396.002, Local Government Code,  
13 states that the district is established "on adoption  
14 of resolutions by both the municipality and the county  
15 authorizing the authority's establishment." The  
16 revised law omits the quoted language as executed.

17 Revised Law

18 Sec. 3501.004. EXEMPTION FROM TAXATION. The property,  
19 revenue, and income of the authority are exempt from a tax imposed  
20 by the state or a political subdivision of the state. (Loc. Gov.  
21 Code, Sec. 396.006.)

22 Source Law

23 Sec. 396.006. EXEMPTION FROM TAXATION. The  
24 property, revenues, and income of the authority are  
25 exempt from a tax levied by the state or a political  
26 subdivision of the state.

27 [Sections 3501.005-3501.050 reserved for expansion]

28 SUBCHAPTER B. BOARD OF DIRECTORS

29 Revised Law

30 Sec. 3501.051. COMPOSITION OF BOARD. The board is composed  
31 of:

32 (1) seven directors appointed by the governing body of  
33 the City of Lubbock;

34 (2) one director appointed by the commissioners court  
35 of Lubbock County; and

1 (3) one director appointed by the South Plains  
2 Association of Governments. (Loc. Gov. Code, Secs. 396.003(a)  
3 (part), (b).)

4 Source Law

5 Sec. 396.003. BOARD. (a) The board consists  
6 of nine members and . . . .

7 (b) The board is composed of:

8 (1) seven members appointed by the  
9 governing body of the municipality;

10 (2) one member appointed by the governing  
11 body of the county; and

12 (3) one member appointed by the South  
13 Plains Association of Governments.

14 Revised Law

15 Sec. 3501.052. TERM; VACANCIES. (a) A director serves a  
16 term of four years. A director appointed to fill a vacancy for an  
17 unexpired term shall serve for the remainder of that term only.

18 (b) A vacancy on the board is filled in the same manner as  
19 the original appointment.

20 (c) A director may be appointed as the director's own  
21 successor for not more than one term. (Loc. Gov. Code, Secs.  
22 396.003(c), (d).)

23 Source Law

24 (c) A vacancy on the board is filled in the same  
25 manner as the original appointment.

26 (d) All terms of office shall be for a period of  
27 four years. A member appointed to fill a vacancy for  
28 an unexpired term shall serve for the remainder of that  
29 term only. A member may be appointed to succeed himself  
30 or herself on the board for only one additional  
31 successive term.

32 Revised Law

33 Sec. 3501.053. OFFICERS. (a) The board shall elect from  
34 its membership a president and a vice president.

35 (b) The vice president shall preside in the absence of the  
36 president. (Loc. Gov. Code, Sec. 396.003(e).)

37 Source Law

38 (e) The members of the board shall elect from  
39 its membership a president and a vice president. The  
40 vice president shall preside in the absence of the  
41 president.

42 Revised Law

43 Sec. 3501.054. EMPLOYEES. The board may employ and

1 compensate persons to carry out the powers and duties of the  
2 authority. (Loc. Gov. Code, Sec. 396.003(f) (part).)

3 Source Law

4 (f) The board . . . may employ and compensate  
5 persons to carry out the powers and duties of the  
6 authority.

7 Revised Law

8 Sec. 3501.055. RULES FOR PROCEEDINGS. The board shall  
9 adopt rules for its proceedings. (Loc. Gov. Code, Sec. 396.003(f)  
10 (part).)

11 Source Law

12 (f) The board shall adopt rules for its  
13 proceedings and . . . .

14 [Sections 3501.056-3501.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Revised Law

17 Sec. 3501.101. AUTHORITY OF BOARD. The board shall manage,  
18 control, and operate the authority. (Loc. Gov. Code, Sec.  
19 396.003(a) (part).)

20 Source Law

21 (a) The board . . . is responsible for the  
22 management, operation, and control of the authority.

23 Revised Law

24 Sec. 3501.102. GENERAL POWERS AND DUTIES. (a) The  
25 authority may accept title, on approval by and in coordination with  
26 the governor, from the United States to all or any portion of the  
27 base property.

28 (b) The authority may exercise, on approval by and in  
29 coordination with the governor, any power necessary or convenient  
30 to accomplish a purpose of this chapter, including the power to:

31 (1) sue and be sued, and plead and be impleaded, in its  
32 own name;

33 (2) adopt an official seal;

34 (3) adopt and enforce bylaws and rules for the conduct  
35 of its affairs;

36 (4) acquire, hold, own, and dispose of its revenue,

- 1 income, receipts, and money from any source;
- 2 (5) select its depository;
- 3 (6) establish its fiscal year;
- 4 (7) adopt an annual operating budget for all major  
5 expenditures before the beginning of the fiscal year;
- 6 (8) establish a system of accounts for the authority;
- 7 (9) invest its money in accordance with Chapter 2256,  
8 Government Code;
- 9 (10) acquire, hold, own, use, rent, lease, or dispose  
10 of any property, including a license, patent, right, right-of-way,  
11 easement, and other interest in property, by purchase, exchange,  
12 gift, assignment, condemnation, lease, sale, or any other means, to  
13 perform a duty or to exercise a power under this chapter;
- 14 (11) manage, operate, or improve that property, to  
15 perform a duty or to exercise a power under this chapter;
- 16 (12) sell, assign, lease, encumber, mortgage, or  
17 otherwise dispose of any base property, or any interest in that  
18 property, release or relinquish any right, title, claim, lien,  
19 interest, easement, or demand, however acquired, and,  
20 notwithstanding any other law, conduct any transaction authorized  
21 by this subdivision by public or private sale;
- 22 (13) lease or rent any land, buildings, structures, or  
23 facilities located on the base property to any person to accomplish  
24 the purposes of this chapter;
- 25 (14) request and accept any appropriation, grant,  
26 allocation, subsidy, guarantee, aid, service, labor, material,  
27 gift, or money from any source, including the federal government,  
28 the state, a public agency, and a political subdivision;
- 29 (15) maintain an office;
- 30 (16) appoint and determine the duties, tenure,  
31 qualifications, compensation, and removal of officers, employees,  
32 agents, professional advisors, and counselors, including financial  
33 consultants, accountants, attorneys, architects, engineers,  
34 appraisers, and financing experts, as considered necessary or

1 advisable by the board;

2 (17) borrow money as necessary to acquire, improve, or  
3 operate a facility on the base property, not to exceed the amount  
4 determined by the governing body of the City of Lubbock;

5 (18) establish, impose, and collect rents, rates,  
6 fees, and charges for its facilities and services; and

7 (19) exercise the powers Chapter 380, Local Government  
8 Code, grants to a municipality for expansion of economic  
9 development and commercial activity. (Loc. Gov. Code, Secs.  
10 396.004(a), 396.005(a) (part).)

11 Source Law

12 Sec. 396.004. PURPOSE AND NATURE OF  
13 AUTHORITY. (a) The authority may accept title, on  
14 approval by and in coordination with the governor,  
15 from the United States to all or any portion of the  
16 base property.

17 Sec. 396.005. POWERS OF AUTHORITY. (a) The  
18 authority may exercise, on approval by and in  
19 coordination with the governor, all the powers  
20 necessary or convenient to carry out a purpose of this  
21 subchapter, including the power to:

22 (1) sue and be sued to the extent permitted  
23 by law, and plead and be impleaded, in its own name;

24 (2) adopt an official seal and alter it as  
25 considered advisable;

26 (3) adopt and enforce bylaws and rules for  
27 the conduct of its affairs that are not inconsistent  
28 with this subchapter;

29 (4) acquire, hold, own, and dispose of its  
30 revenues, income, receipts, funds, and money from  
31 every source;

32 (5) select its depository;

33 (6) set the fiscal year for the authority;

34 (7) establish a complete system of  
35 accounts for the authority;

36 (8) invest funds in accordance with  
37 Chapter 2256, Government Code;

38 (9) acquire, use, own, rent, lease,  
39 accept, hold, or dispose of any property, or licenses,  
40 patents, rights, and other interest in that property,  
41 by purchase, exchange, gift, assignment,  
42 condemnation, sale, lease, or any other means,  
43 including rights-of-way or easements, and hold,  
44 manage, operate, or improve that property, to perform  
45 a duty or exercise a power under this subchapter;

46 (10) sell, assign, lease, encumber,  
47 mortgage, or otherwise dispose of any property  
48 comprising the base property, or any interest in that  
49 property, release or relinquish any right, title,  
50 claim, lien, interest, easement, or demand, however  
51 acquired, and, notwithstanding any other law, conduct  
52 any transaction authorized by this subdivision by  
53 public or private sale;

54 (11) lease or rent any land or buildings,  
55 structures, or facilities located on the base property

1 to any person to carry out the purposes of this  
2 subchapter;

3 (12) request and accept any  
4 appropriations, grants, allocations, subsidies,  
5 guaranties, aid, contributions, services, labor,  
6 materials, gifts, donations, or money from the federal  
7 government, the state, any public agency or political  
8 subdivision, or any other source;

9 (13) operate and maintain an office;

10 (14) appoint and determine the duties,  
11 tenure, qualifications, compensation, and removal of  
12 officers, employees, agents, professional advisors,  
13 and counselors, including financial consultants,  
14 accountants, attorneys, architects, engineers,  
15 appraisers, and financing experts, as considered  
16 necessary or advisable by the board;

17 (15) borrow money as necessary to acquire,  
18 improve, or operate facilities on the base property,  
19 not to exceed an amount determined by the governing  
20 body of the municipality;

21 (16) fix, revise, charge, and collect  
22 rents, rates, fees, and charges for its facilities and  
23 services;

24 (17) exercise the powers granted to  
25 municipalities under Chapter 380 for expansion of  
26 economic development and commercial activity;

27 (18) adopt an annual operating budget for  
28 all major expenditures before the beginning of the  
29 fiscal year; and  
30 . . .

31 Revisor's Note

32 (1) Section 396.005(a), Local Government Code,  
33 states that the authority may sue and be sued "to the  
34 extent permitted by law." The revised law omits the  
35 quoted language because the absence of the language  
36 does not authorize illegal actions.

37 (2) Section 396.005(a), Local Government Code,  
38 states that the authority may adopt an official seal  
39 "and alter it as considered advisable." The revised  
40 law omits the quoted language because the power to  
41 adopt a seal includes the power to alter it.

42 (3) Section 396.005(a), Local Government Code,  
43 states that the authority may adopt and enforce bylaws  
44 and rules for the conduct of its affairs "that are not  
45 inconsistent with this subchapter." The revised law  
46 omits the quoted language because the absence of the  
47 language does not authorize the authority to take  
48 actions inconsistent with the law.

49 (4) Section 396.005(a), Local Government Code,

1 refers to the authority's power regarding "funds" and  
2 "money" and to the investing of "funds." The revised  
3 law omits "funds" because, in context, its meaning is  
4 included in the meaning of "money." In addition,  
5 throughout this chapter, the revised law substitutes  
6 "money" for "funds" because, in context, the meaning  
7 is the same and "money" is the more commonly used term.

8 (5) Section 396.005(a), Local Government Code,  
9 states that the authority may "acquire" or "accept"  
10 property. The revised law omits "accept" because its  
11 meaning is included in the meaning of "acquire."

12 (6) Section 396.005(a), Local Government Code,  
13 states that the authority may request and accept  
14 "gifts," "donations," or "contributions." The revised  
15 law omits "donations" and "contributions" because the  
16 meaning of those terms is included in the meaning of  
17 "gifts."

18 (7) Section 396.005(a), Local Government Code,  
19 states that the authority may "fix" and "revise"  
20 various fees and other charges. The revised law  
21 substitutes "establish" for the quoted terms because  
22 "establish" is the more commonly used term.

#### 23 Revised Law

24 Sec. 3501.103. UTILITIES. (a) As may be necessary and  
25 appropriate to accomplish the purposes for which the authority was  
26 established, the authority may exercise those powers granted to  
27 general law districts by Chapter 49, Water Code, and granted to  
28 municipal utility districts by Chapter 54, Water Code, may provide  
29 all other utility services that may be provided by an electric, gas,  
30 or water utility on an immediate basis without the need for state  
31 regulatory approval, and without restriction, may delegate those  
32 powers and the provision of those services to a neighboring  
33 municipality, a municipally owned utility, a cooperative  
34 corporation, or other utility provider.

1 (b) The authority shall continue to be served by the  
2 provider, as of September 1, 1999, of electricity and related  
3 services to the authority until the authority delegates the  
4 provision of electric services under Subsection (a).

5 (c) A delegation under Subsection (a) of a power related to  
6 electric service and the provision of electric services may be made  
7 only to an electric utility provider that agrees to upgrade the  
8 electrical system infrastructure so that the authority can  
9 accomplish its purpose. The authority shall determine the criteria  
10 to be used for determining the level of infrastructure improvements  
11 necessary to encourage the expansion of economic development and  
12 commercial activity. The authority may delegate the provision of  
13 electric services without state regulatory approval.

14 (d) The authority may contract to convey the property  
15 related to the supply and distribution of electrical power in the  
16 authority's territory to an electric utility provider that requires  
17 the conveyance as a condition of making an upgrade prescribed by  
18 Subsection (c). (Loc. Gov. Code, Secs. 396.005(a) (part), (c).)

19 Source Law

20 (a) The authority may . . . :

21 . . .  
22 (19) exercise those powers granted to  
23 general law districts in Chapter 49, Water Code, and to  
24 municipal utility districts in Chapter 54, Water Code,  
25 and provide all other utility services that may be  
26 provided by an electric, gas, or water utility on an  
27 immediate basis without the need for other state  
28 regulatory approvals and has the unrestricted right to  
29 delegate the exercise of these powers and the  
30 provision of these services to a neighboring  
31 municipality, a municipally owned utility, a  
32 cooperative corporation, or other utility providers as  
33 may be necessary and appropriate to carry out the  
34 purposes for which the authority was established.

35 (c)(1) Notwithstanding any provision of this  
36 subchapter, the authority shall continue to be served  
37 by the current provider of electricity and related  
38 services to the authority until the authority  
39 delegates the provision of electric services under  
40 Subsection (a)(19).

41 (2) Any delegation of the exercise of  
42 power and the provision of electric services provided  
43 for in Subsection (a)(19) may be given only to a  
44 neighboring municipality or other utility provider,  
45 including a municipally owned electric utility or  
46 electric cooperative, that agrees to upgrade the  
47 existing electrical system infrastructure so that the

1 authority can carry out its intended purpose. The  
2 authority shall determine the criteria to be used for  
3 determining the level of infrastructure improvements  
4 necessary to encourage the expansion of economic  
5 development and commercial activity, as provided by  
6 Subsection (a)(17). The authority may delegate the  
7 provision of electric services without other state  
8 regulatory approval.

9 (3) The authority may contract to convey  
10 the real and personal property related to the supply  
11 and distribution of electrical power within the  
12 authority's boundaries to any neighboring municipality  
13 or other utility provider, including a municipally  
14 owned electric utility or electric cooperative, that  
15 requires the conveyance as a condition to an upgrade  
16 prescribed by Subdivision (2).

17 Revisor's Note

18 (1) Section 396.005(c), Local Government Code,  
19 states that it applies "[n]otwithstanding any  
20 provision of this subchapter." The revised law omits  
21 the quoted language as unnecessary because no  
22 provision of the subchapter provides otherwise.

23 (2) Section 396.005(c), Local Government Code,  
24 refers to encouraging the expansion of economic  
25 development and commercial activity "as provided by  
26 Subsection (a)(17)." Subsection (a)(17) gives the  
27 authority economic development powers under Chapter  
28 380, Local Government Code. The revised law omits the  
29 quoted language as unnecessary because it is not a  
30 limitation on the authority's power.

31 (3) Section 396.005(c), Local Government Code,  
32 refers to the "current" provider of electricity.  
33 Section 396.005(c), Local Government Code, was added  
34 by Section 5, Chapter 473, Acts of the 76th  
35 Legislature, Regular Session, 1999. That law became  
36 effective September 1, 1999. Accordingly, the revised  
37 law substitutes that effective date of Chapter 473 for  
38 "current."

39 (4) Section 396.005(c), Local Government Code,  
40 refers to "real and personal" property. The revised  
41 law omits the quoted language for the reason stated in  
42 Revisor's Note (1) to Section 3501.003.

1 Revised Law

2 Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED. In  
3 a suit, the authority may not be required to give security for costs  
4 or a supersedeas or cost bond in an appeal from a judgment. (Loc.  
5 Gov. Code, Sec. 396.005(b).)

6 Source Law

7 (b) In a suit described by Subsection (a)(1),  
8 the authority may not be required to give security for  
9 costs or a supersedeas or cost bond in an appeal of a  
10 judgment.

11 [Sections 3501.105-3501.150 reserved for expansion]

12 SUBCHAPTER D. DISSOLUTION

13 Revised Law

14 Sec. 3501.151. LEGISLATIVE INTENT. The legislature  
15 intends that the authority be dissolved after conveyance and sale  
16 of all of the base property. (Loc. Gov. Code, Sec. 396.007(b).)

17 Source Law

18 (b) It is the intention of the legislature that  
19 the authority be dissolved after conveyance and sale  
20 of all of the base property.

21 Revised Law

22 Sec. 3501.152. DUTY TO DISSOLVE. (a) The authority shall  
23 be dissolved on approval of the City of Lubbock and Lubbock County:

24 (1) when all the functions of the authority are  
25 performed and completed; and

26 (2) after all debts or obligations have been satisfied  
27 or retired with the assets of the authority.

28 (b) On dissolution, any remaining assets of the authority  
29 shall be conveyed or transferred to the City of Lubbock and Lubbock  
30 County in proportion to any initial contribution of money made.  
31 (Loc. Gov. Code, Secs. 396.007(a), (c).)

32 Source Law

33 Sec. 396.007. DISSOLUTION. (a) The authority  
34 shall be dissolved:

35 (1) when all the functions of the  
36 authority are performed and completed; and

37 (2) on approval of the municipality and  
38 county after all debts or obligations have been  
39 satisfied or retired with the assets of the authority.

1 (c) Any remaining assets of the authority shall  
2 be conveyed or transferred to the municipality and the  
3 county in accordance with the initial proportion of  
4 funds contributed by each.

5 Revisor's Note  
6 (End of Chapter)

7 Section 396.008, Local Government Code, states  
8 that the Lubbock Reese Redevelopment Authority  
9 succeeds the Lubbock Reese Redevelopment Authority  
10 Corporation. The revised law omits the section  
11 because it is executed. The omitted law reads:

12 Sec. 396.008. SUCCESSOR. The  
13 authority is the successor in interest to  
14 the Lubbock Reese Redevelopment Authority  
15 Corporation, a nonprofit corporation  
16 organized under the Texas Non-Profit  
17 Corporation Act (Article 1396-1.01 et seq.,  
18 Vernon's Texas Civil Statutes), and  
19 succeeds to all rights and liabilities of  
20 the corporation.

21 CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT REDEVELOPMENT

22 AUTHORITY

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30 SUBCHAPTER B. BOARD OF DIRECTORS

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36 [Sections 3502.056-3502.100 reserved for expansion]

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7 CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT REDEVELOPMENT

8 AUTHORITY

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Revised Law

11 Sec. 3502.001. DEFINITIONS. In this chapter:

12 (1) "Authority" means the Westworth Village-White  
 13 Settlement Redevelopment Authority.

14 (2) "Board" means the board of directors of the  
 15 authority. (Loc. Gov. Code, Sec. 396.031.)

16 Source Law

17 Sec. 396.031. DEFINITIONS. In this  
 18 subchapter:

19 (1) "Authority" means the Westworth  
 20 Village-White Settlement Redevelopment Authority.

21 (2) "Board" means the board of directors  
 22 of the authority.

23 Revised Law

24 Sec. 3502.002. WESTWORTH VILLAGE-WHITE SETTLEMENT  
 25 REDEVELOPMENT AUTHORITY. The authority is established as a  
 26 political subdivision of this state if Westworth Village and White  
 27 Settlement each:

28 (1) adopt a resolution authorizing the authority's  
 29 establishment; and

30 (2) appoint three members to the board. (Loc. Gov.  
 31 Code, Sec. 396.032 (part).)

32 Source Law

33 Sec. 396.032. ESTABLISHMENT. The authority is  
 34 established as a political  
 35 subdivision . . . [Westworth Village and White  
 36 Settlement] if each municipality:

37 (1) adopts a resolution authorizing the  
 38 authority's establishment; and

39 (2) appoints three members to the board of  
 40 the authority.

1 Revised Law

2 Sec. 3502.003. AUTHORITY TERRITORY. The boundaries of the  
3 authority territory are the boundaries of Westworth Village and  
4 White Settlement. (Loc. Gov. Code, Sec. 396.032 (part).)

5 Source Law

6 [Sec. 396.032. ESTABLISHMENT. The authority is  
7 established as a political subdivision] with  
8 boundaries the same as the boundaries of Westworth  
9 Village and White Settlement . . . .

10 Revised Law

11 Sec. 3502.004. EXEMPTION FROM TAXATION. The property,  
12 revenue, and income of the authority are exempt from all taxes  
13 imposed by the state or a political subdivision of the state. (Loc.  
14 Gov. Code, Sec. 396.036.)

15 Source Law

16 Sec. 396.036. EXEMPTION FROM TAXATION. The  
17 properties, revenues, and income of the authority are  
18 exempt from all taxes levied by the state or a  
19 political subdivision of the state.

20 [Sections 3502.005-3502.050 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Revised Law

23 Sec. 3502.051. COMPOSITION OF BOARD. The board consists of  
24 six directors. The governing body of each municipality in the  
25 authority shall appoint three directors. (Loc. Gov. Code, Secs.  
26 396.033(a) (part), (b).)

27 Source Law

28 Sec. 396.033. BOARD. (a) The board consists  
29 of six members and . . . .  
30 (b) The governing body of each municipality in  
31 the authority shall appoint three members to the  
32 board.

33 Revised Law

34 Sec. 3502.052. TERM. A director serves a two-year term.  
35 (Loc. Gov. Code, Sec. 396.033(c).)

36 Source Law

37 (c) Members of the board serve for terms of two  
38 years.

1 Revised Law

2 Sec. 3502.053. VACANCIES. A vacancy on the board is filled  
3 for the unexpired term in the manner provided for the original  
4 appointment. (Loc. Gov. Code, Sec. 396.033(e).)

5 Source Law

6 (e) A vacancy on the board is filled in the  
7 manner provided for the original appointment, and a  
8 person filling a vacancy serves for the unexpired  
9 term.

10 Revised Law

11 Sec. 3502.054. OFFICERS. (a) The board shall select from  
12 its membership a presiding officer and an assistant presiding  
13 officer.

14 (b) The assistant presiding officer presides in the absence  
15 of the presiding officer.

16 (c) The board shall select a secretary-treasurer. The  
17 secretary-treasurer is not required to be a director. (Loc. Gov.  
18 Code, Sec. 396.033(d).)

19 Source Law

20 (d) The board shall select from its membership a  
21 person to serve as presiding officer and a person to  
22 serve as assistant presiding officer. The assistant  
23 presiding officer shall preside in the absence of the  
24 presiding officer. The board shall also select a  
25 secretary-treasurer, who is not required to be a  
26 member of the board.

27 Revised Law

28 Sec. 3502.055. EMPLOYEES. The board may employ all persons  
29 necessary to carry out the functions of the authority. (Loc. Gov.  
30 Code, Sec. 396.033(f).)

31 Source Law

32 (f) The board may employ all persons necessary  
33 to carry out the functions of the authority.

34 [Sections 3502.056-3502.100 reserved for expansion]

35 SUBCHAPTER C. AUTHORITY POWERS AND DUTIES

36 Revised Law

37 Sec. 3502.101. AUTHORITY OF BOARD. The board shall manage,  
38 operate, and control the authority. (Loc. Gov. Code, Sec.  
39 396.033(a) (part).)

1 Source Law

2 (a) [The board] . . . is responsible for the  
3 management, operation, and control of the authority.

4 Revised Law

5 Sec. 3502.102. GENERAL POWERS. The authority may  
6 exercise, on approval by and in coordination with the governor, all  
7 powers necessary or appropriate to carry out the purposes of this  
8 chapter, including the power to:

9 (1) sue and be sued, and plead and be impleaded, in its  
10 own name;

11 (2) adopt an official seal;

12 (3) adopt and enforce bylaws and rules for the conduct  
13 of its affairs;

14 (4) acquire, hold, use, and dispose of its revenue,  
15 income, receipts, and money from every source;

16 (5) select its depository;

17 (6) acquire, hold, own, lease, rent, or dispose of any  
18 property or interest in property, including rights or easements, in  
19 performing duties and exercising powers under this chapter by  
20 purchase, exchange, gift, assignment, condemnation, sale, lease,  
21 or otherwise and to hold, manage, operate, or improve the property;

22 (7) sell, assign, lease, encumber, mortgage, or  
23 otherwise dispose of any property or interest in property, and  
24 release or relinquish any right, title, claim, lien, interest,  
25 easement, or demand however acquired;

26 (8) notwithstanding any other law, perform an activity  
27 authorized by Subdivision (7) by public or private sale, with or  
28 without public bidding;

29 (9) lease or rent any lands within the property and  
30 buildings, structures, or facilities located on the property from  
31 or to any person to carry out the purposes of this chapter;

32 (10) request and accept any appropriation, grant,  
33 allocation, subsidy, guaranty, aid, service, labor, material, or  
34 gift from any source, including the federal government, this state,

1 a public agency, or a political subdivision;

2 (11) maintain an office and appoint and determine the  
3 duties, tenure, qualifications, and compensation of officers,  
4 employees, agents, and professional advisors and counselors,  
5 including financial consultants, accountants, attorneys,  
6 architects, engineers, appraisers, and financing experts, as the  
7 board considers necessary or advisable;

8 (12) borrow money;

9 (13) establish, impose, and collect rents, rates,  
10 fees, and charges for its facilities and services;

11 (14) acquire land or any interest in land within the  
12 boundaries of the authority by condemnation in the manner provided  
13 by Chapter 21, Property Code, subject to the approval of each  
14 municipality in the authority; and

15 (15) exercise the powers in Chapters 373 and 380,  
16 Local Government Code, granted to a municipality for the  
17 development of housing and expansion of economic development and  
18 commercial activity. (Loc. Gov. Code, Sec. 396.035.)

19 Source Law

20 Sec. 396.035. POWERS OF AUTHORITY. The  
21 authority may exercise, on approval by and in  
22 coordination with the governor, all powers necessary  
23 or appropriate to carry out the purposes of this  
24 subchapter, including the power to:

25 (1) sue and be sued, and plead and be  
26 impleaded, in its own name;

27 (2) adopt an official seal, and alter the  
28 seal when advisable;

29 (3) adopt and enforce bylaws and rules for  
30 the conduct of its affairs that are not inconsistent  
31 with this subchapter;

32 (4) acquire, hold, use, and dispose of its  
33 revenues, income, receipts, funds, and money from  
34 every source and to select its depository;

35 (5) acquire, own, rent, lease, accept,  
36 hold, or dispose of any property or interest in  
37 property, including rights or easements, in performing  
38 its duties and exercising its powers under this  
39 subchapter by purchase, exchange, gift, assignment,  
40 condemnation, sale, lease, or otherwise and to hold,  
41 manage, operate, or improve the property;

42 (6) sell, assign, lease, encumber,  
43 mortgage, or otherwise dispose of any property or  
44 interest in property, and release or relinquish any  
45 right, title, claim, lien, interest, easement, or  
46 demand however acquired;

47 (7) perform an activity authorized by  
48 Subdivision (6) by public or private sale, with or

1 without public bidding, notwithstanding any other law;  
2 (8) lease or rent any lands within the  
3 property and buildings, structures, or facilities  
4 located on the property from or to any person or  
5 municipality or other public agency or political  
6 subdivision to carry out the purposes of this  
7 subchapter;

8 (9) request and accept any appropriations,  
9 grants, allocations, subsidies, guaranties, aid,  
10 contributions, services, labor, materials, gifts, or  
11 donations from the federal government, the state, any  
12 public agency or political subdivision, or any other  
13 source;

14 (10) operate and maintain an office and  
15 appoint and determine the duties, tenure,  
16 qualifications, and compensation of officers,  
17 employees, agents, and professional advisors and  
18 counselors, including financial consultants,  
19 accountants, attorneys, architects, engineers,  
20 appraisers, and financing experts, as considered  
21 necessary or advisable by the board;

22 (11) borrow money;

23 (12) fix, revise, charge, and collect  
24 rents, rates, fees, and charges for its facilities and  
25 services;

26 (13) acquire land or any interest in land  
27 within the boundaries of the authority by condemnation  
28 in the manner provided by Chapter 21, Property Code,  
29 subject to the approval of each municipality in the  
30 authority; and

31 (14) exercise the powers granted to  
32 municipalities under Chapters 373 and 380 for the  
33 development of housing and expansion of economic  
34 development and commercial activity.

35 Revisor's Note

36 (1) Section 396.035(2), Local Government Code,  
37 states that the authority may adopt an official seal  
38 "and alter the seal when advisable." The revised law  
39 omits the quoted language as unnecessary because the  
40 power to adopt a seal includes the power to alter it.

41 (2) Section 396.035(3), Local Government Code,  
42 states that the authority may adopt and enforce bylaws  
43 and rules for the conduct of its affairs "that are not  
44 inconsistent with this subchapter." The revised law  
45 omits the quoted language as unnecessary because the  
46 authority does not have the power to take actions that  
47 are inconsistent with this law.

48 (3) Section 396.035(4), Local Government Code,  
49 refers to the authority's power regarding "funds, and  
50 money." The revised law omits "funds" because, in  
51 context, its meaning is included in the meaning of

1 "money."

2 (4) Section 396.035(5), Local Government Code,  
3 states that the authority may "acquire" or "accept"  
4 property. The revised law omits "accept" because its  
5 meaning is included in the meaning of "acquire."

6 (5) Section 396.035(8), Local Government Code,  
7 states that the authority may lease or rent certain  
8 property to any person "or municipality or other  
9 public agency or political subdivision." The revised  
10 law omits the quoted language because the definition  
11 of "person" provided by Section 311.005(2), Government  
12 Code (Code Construction Act), applicable to the  
13 revised law, includes a "government or governmental  
14 subdivision or agency."

15 (6) Section 396.035(9), Local Government Code,  
16 states that the authority may request and accept  
17 "gifts," "donations," or "contributions." The revised  
18 law omits "donations" and "contributions" because the  
19 meaning of those terms is included in the meaning of  
20 "gifts."

21 (7) Section 396.035(10), Local Government Code,  
22 states that the authority may "operate and maintain"  
23 an office. The revised law omits "operate" because the  
24 meaning of "operate" is included in the meaning of  
25 "maintain."

26 (8) Section 396.035(12), Local Government Code,  
27 states that the authority may "fix," "revise," and  
28 "charge" various fees and other charges. The revised  
29 law substitutes "establish" and "impose" for the  
30 quoted terms because "establish" and "impose" are the  
31 more commonly used terms.

32 Revised Law

33 Sec. 3502.103. RECEIPT OF PROPERTY. The authority shall  
34 accept title, on approval by and in coordination with the governor,

1 from the United States to all or any portion of the real property  
2 situated:

3 (1) within the boundaries of the authority, together  
4 with any improvements located on the property and personal property  
5 related to the property, commonly referred to as:

- 6 (A) Parcel A - 18 Hole Golf Course;
- 7 (B) Parcel B - Wherry Housing Area;
- 8 (C) Parcel C - Kings Branch Housing Area;
- 9 (D) Parcel D - Stables Area and Vacant Land;
- 10 (E) Parcel E - 5 acres;
- 11 (F) Parcel F - 18 acres; and
- 12 (G) Parcel H - Firing Range; and

13 (2) outside the boundaries of the authority within an  
14 unincorporated area in Tarrant County, together with any  
15 improvements located on the property and personal property related  
16 to the property, commonly referred to as Parcel G - Weapons Storage  
17 Area. (Loc. Gov. Code, Sec. 396.034(a) (part).)

18 Source Law

19 Sec. 396.034. PURPOSE. (a) The authority is  
20 created:

21 (1) to accept title, on approval by and in  
22 coordination with the governor, from the United States  
23 to all or any portion of the real property situated:

24 (A) within the boundaries of the  
25 authority, together with any improvements located on  
26 the property and personal property related to the  
27 property, commonly referred to as Parcel A - 18 Hole  
28 Golf Course; Parcel B - Wherry Housing Area; Parcel  
29 C - Kings Branch Housing Area; Parcel D - Stables Area  
30 and Vacant Land; Parcel E - 5 acres; Parcel F - 18  
31 acres; Parcel H - Firing Range; and

32 (B) outside the boundaries of the  
33 authority within an unincorporated area in Tarrant  
34 County, together with any improvements located on the  
35 property and personal property related to the  
36 property, commonly referred to as Parcel G - Weapons  
37 Storage Area; and

38 . . .

39 Revised Law

40 Sec. 3502.104. USE OF PROPERTY. (a) The authority shall  
41 use the property described by Section 3502.103 and all assistance  
42 available for the property from the United States and all other  
43 sources to replace and enhance the economic benefits generated for

1 the property by Carswell Air Force Base with diversified activity,  
2 including planned land uses to foster:

- 3 (1) creation of new jobs;
- 4 (2) economic development;
- 5 (3) industry;
- 6 (4) commerce;
- 7 (5) manufacturing;
- 8 (6) housing;
- 9 (7) recreation; and
- 10 (8) the construction, operation, and maintenance of  
11 facilities, improvements, and infrastructures on the property.

12 (b) The governing body of Fort Worth must consent in writing  
13 before any use or development of land within the property commonly  
14 referred to as Parcel G may be undertaken. (Loc. Gov. Code, Secs.  
15 396.034(a) (part), (b).)

16 Source Law

17 [Sec. 396.034. PURPOSE. (a) The authority is  
18 created:

19 (1) to accept title, on approval by and in  
20 coordination with the governor, from the United States  
21 to all or any portion of the real property situated:

22 (A) within the boundaries of the  
23 authority, together with any improvements located on  
24 the property and personal property related to the  
25 property, commonly referred to as Parcel A - 18 Hole  
26 Golf Course; Parcel B - Wherry Housing Area; Parcel  
27 C - Kings Branch Housing Area; Parcel D - Stables Area  
28 and Vacant Land; Parcel E - 5 acres; Parcel F - 18  
29 acres; Parcel H - Firing Range; and

30 (B) outside the boundaries of the  
31 authority within an unincorporated area in Tarrant  
32 County, together with any improvements located on the  
33 property and personal property related to the  
34 property, commonly referred to as Parcel G - Weapons  
35 Storage Area; and]

36 (2) to use the property and all assistance  
37 available for the property from the United States and  
38 all other sources to replace and enhance the economic  
39 benefits generated for the property by Carswell Air  
40 Force Base with diversified activity, including  
41 planned land uses to foster creation of new jobs,  
42 economic development, industry, commerce,  
43 manufacturing, housing, and recreation and the  
44 construction, operation, and maintenance of  
45 facilities, improvements, and infrastructures on the  
46 property.

47 (b) Any use or development of land within Parcel  
48 G may not be undertaken without the prior written  
49 consent of the City of Fort Worth.

1 Revised Law

2 Sec. 3502.105. AWARDING OF CONTRACTS. (a) The board may  
3 adopt rules governing the receiving of bids and the awarding of  
4 contracts.

5 (b) A contract in the amount of more than \$15,000 for the  
6 construction of improvements or the purchase of material,  
7 machinery, equipment, supplies, or any other property, other than  
8 real property, may only be awarded on competitive bids received by  
9 the authority.

10 (c) Notice must be published in a newspaper of general  
11 circulation in the authority not later than the 16th day before the  
12 date set for receiving bids for a contract described by Subsection  
13 (b).

14 (d) This section does not apply to:

15 (1) personal or professional services; or

16 (2) the acquisition or sale of the property. (Loc.  
17 Gov. Code, Sec. 396.037.)

18 Source Law

19 Sec. 396.037. COMPETITIVE BIDS. (a) A  
20 contract in the amount of more than \$15,000 for the  
21 construction of improvements or the purchase of  
22 material, machinery, equipment, supplies, or any other  
23 property except real property may only be let on  
24 competitive bids after notice is published in a  
25 newspaper of general circulation in the authority  
26 before the 15th day before the date set for receiving  
27 bids.

28 (b) The board may adopt rules governing the  
29 receiving of bids and the awarding of contracts.

30 (c) This section does not apply to personal or  
31 professional services or the acquisition or sale of  
32 the property.

33 [Sections 3502.106-3502.150 reserved for expansion]

34 SUBCHAPTER D. DISSOLUTION

35 Revised Law

36 Sec. 3502.151. LEGISLATIVE INTENT. The legislature  
37 intends that the authority be dissolved after conveyance and sale  
38 of all of the property described by Section 3502.103. (Loc. Gov.  
39 Code, Sec. 396.038(a) (part).)

1 Source Law

2 (a) . . . It is the intent of the legislature  
3 that the authority be dissolved after conveyance and  
4 sale of all of the property.

5 Revised Law

6 Sec. 3502.152. POWER TO DISSOLVE. (a) The board may  
7 dissolve the authority if:

8 (1) each municipality in the authority approves the  
9 dissolution; and

10 (2) all debts or obligations have been satisfied or  
11 retired.

12 (b) Any assets of the authority remaining after all debts or  
13 obligations have been satisfied shall be conveyed or transferred to  
14 the municipalities in the authority as approved by the board. (Loc.  
15 Gov. Code, Secs. 396.038(a) (part), (b).)

16 Source Law

17 Sec. 396.038. DISSOLUTION. (a) The authority  
18 may be dissolved by the board on approval of each  
19 municipality in the authority after all debts or  
20 obligations have been satisfied or retired. . . .

21 (b) Assets of the authority remaining after all  
22 debts or obligations have been satisfied are to be  
23 conveyed or transferred to the municipalities in the  
24 authority as approved by the board.

25 [Chapters 3503-3800 reserved for expansion]

26 SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

27 CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

28 SUBCHAPTER A. GENERAL PROVISIONS

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36 Sec. 3801.008. LIBERAL CONSTRUCTION OF CHAPTER . . . . . 158

37 [Sections 3801.009-3801.050 reserved for expansion]

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30		CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT	
31		SUBCHAPTER A. GENERAL PROVISIONS	
32		<u>Revised Law</u>	
33	Sec. 3801.001.	DEFINITIONS. In this chapter:	
34		(1) "Board" means the board of directors of the	

1 district.

2 (2) "District" means the Houston Downtown Management  
3 District. (Loc. Gov. Code, Secs. 376.003(1), (3).)

4 Source Law

5 Sec. 376.003. DEFINITIONS. In this  
6 subchapter:

7 (1) "Board" means the board of directors  
8 of the district.

9 (3) "District" means the Houston Downtown  
10 Management District.

11 Revisor's Note

12 Sections 376.003(2) and (4), Local Government  
13 Code, respectively define "county" as Harris County  
14 and "municipality" as the City of Houston. The revised  
15 law omits the definitions for ease of understanding.  
16 Throughout this chapter, the revised law instead  
17 refers to Harris County and the City of Houston, unless  
18 the context clearly shows that the term "county" or  
19 "municipality" refers generally to any county or  
20 municipality. The omitted law reads:

21 (2) "County" means Harris  
22 County, Texas.

23 (4) "Municipality" means the  
24 City of Houston, Texas.

25 Revised Law

26 Sec. 3801.002. HOUSTON DOWNTOWN MANAGEMENT DISTRICT. A  
27 special district known as the "Houston Downtown Management  
28 District" is a governmental agency and political subdivision of  
29 this state. (Loc. Gov. Code, Sec. 376.001(a).)

30 Source Law

31 Sec. 376.001. CREATION OF DISTRICT. (a) A  
32 special district to be known as the "Houston Downtown  
33 Management District" exists as a governmental agency,  
34 body politic and corporate, and political subdivision  
35 of the state.

36 Revisor's Note

37 (1) Section 376.001(a), Local Government Code,  
38 creates the Houston Downtown Management District as a  
39 "governmental agency, body politic and corporate, and

1 political subdivision of the state." The revised law  
2 omits "body politic and corporate" because the meaning  
3 of those words is included in the meaning of  
4 "governmental agency" or "political subdivision of  
5 this state."

6 (2) Section 376.001(b), Local Government Code,  
7 states that the board may change the name of the  
8 district by resolution. The revised law omits the  
9 section because it duplicates Section 375.096(d),  
10 Local Government Code. Section 376.007, Local  
11 Government Code (revised in this chapter as Section  
12 3801.007), provides that Chapter 375, Local Government  
13 Code, applies to the district. Therefore, it is not  
14 necessary to revise statutes that duplicate provisions  
15 in that chapter. The omitted law reads:

16 (b) The name of the district may be  
17 changed by resolution of the board.

18 Revised Law

19 Sec. 3801.003. PURPOSE; DECLARATION OF INTENT. (a) The  
20 creation of the district is essential to accomplish the purposes of  
21 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
22 Texas Constitution, and other public purposes stated in this  
23 chapter. By creating the district and in authorizing Harris  
24 County, the City of Houston, and other political subdivisions to  
25 contract with the district, the legislature has established a  
26 program to accomplish the public purposes set out in Section 52-a,  
27 Article III, Texas Constitution.

28 (b) The creation of the district is necessary to promote,  
29 develop, encourage, and maintain employment, commerce,  
30 transportation, housing, tourism, recreation, the arts,  
31 entertainment, economic development, safety, and the public  
32 welfare in the downtown area of the city of Houston.

33 (c) This chapter and the creation of the district may not be  
34 interpreted to relieve Harris County or the City of Houston from

1 providing the level of services provided as of August 28, 1995, to  
2 the area in the district or to release the county or the city from  
3 the obligations of each entity to provide services to that area.  
4 The district is created to supplement and not to supplant the county  
5 or city services provided in the area in the district. (Loc. Gov.  
6 Code, Secs. 376.001(c), 376.002.)

7 Source Law

8 [Sec. 376.001]

9 (c) The creation of the district is essential to  
10 accomplish the purposes of Section 52, Article III,  
11 Section 59, Article XVI, and Section 52-a, Article  
12 III, Texas Constitution, and other public purposes  
13 stated in this subchapter.

14 Sec. 376.002. DECLARATION OF INTENT. (a) The  
15 creation of the district is necessary to promote,  
16 develop, encourage, and maintain employment,  
17 commerce, transportation, housing, tourism,  
18 recreation, arts, entertainment, economic  
19 development, safety, and the public welfare in the  
20 downtown area of the municipality.

21 (b) The creation of the district and this  
22 legislation is not to be interpreted to relieve the  
23 county or the municipality from providing the level of  
24 services, as of August 28, 1995, to the area in the  
25 district or to release the county or the municipality  
26 from the obligations each entity has to provide  
27 services to that area. The district is created to  
28 supplement and not supplant the municipal or county  
29 services provided in the area in the district.

30 (c) By creating the district and in authorizing  
31 the municipality, county, and other political  
32 subdivisions to contract with the district, the  
33 legislature has established a program to accomplish  
34 the public purposes set out in Section 52-a, Article  
35 III, Texas Constitution.

36 Revised Law

37 Sec. 3801.004. FINDINGS OF BENEFIT AND PUBLIC  
38 PURPOSE. (a) The district is created to serve a public use and  
39 benefit.

40 (b) All land and other property included in the district  
41 will benefit from the improvements and services to be provided by  
42 the district under powers conferred by Sections 52 and 52-a,  
43 Article III, and Section 59, Article XVI, Texas Constitution, and  
44 other powers granted under this chapter.

45 (c) The creation of the district is in the public interest  
46 and is essential to:

47 (1) further the public purposes of developing and

1 diversifying the economy of the state;

2 (2) eliminate unemployment and underemployment; and

3 (3) develop or expand transportation and commerce.

4 (d) The district will:

5 (1) promote the health, safety, and general welfare of  
6 residents, employers, employees, visitors, and consumers in the  
7 district, and of the public;

8 (2) provide needed funding for the downtown area of  
9 the city of Houston to preserve, maintain, and enhance the economic  
10 health and vitality of the area as a community and business center;  
11 and

12 (3) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic and  
16 aesthetic beauty.

17 (e) Pedestrian ways along or across a street, whether at  
18 grade or above or below the surface, and street lighting, street  
19 landscaping, and street art objects are parts of and necessary  
20 components of a street and are considered to be a street or road  
21 improvement.

22 (f) The district will not act as the agent or  
23 instrumentality of any private interest even though the district  
24 will benefit many private interests as well as the public. (Loc.  
25 Gov. Code, Sec. 376.006.)

26 Source Law

27 Sec. 376.006. FINDINGS OF BENEFIT AND PUBLIC  
28 PURPOSE. (a) All the land and other property  
29 included in the district will be benefited by the  
30 improvements and services to be provided by the  
31 district under powers conferred by Section 52, Article  
32 III, Section 59, Article XVI, and Section 52-a,  
33 Article III, Texas Constitution, and other powers  
34 granted under this subchapter, and the district is  
35 created to serve a public use and benefit.

36 (b) The creation of the district is in the  
37 public interest and is essential to:

38 (1) further the public purposes of the  
39 development and diversification of the economy of the  
40 state; and

41 (2) eliminate unemployment and

1 underemployment and develop or expand transportation  
2 and commerce.

3 (c) The district will:

4 (1) promote the health, safety, and  
5 general welfare of residents, employers, employees,  
6 visitors, consumers in the district, and the general  
7 public;

8 (2) provide needed funding for the  
9 municipal downtown area to preserve, maintain, and  
10 enhance the economic health and vitality of the area as  
11 a community and business center; and

12 (3) further promote the health, safety,  
13 welfare, and enjoyment of the public by providing  
14 pedestrian ways and by landscaping and developing  
15 certain areas in the district, which are necessary for  
16 the restoration, preservation, and enhancement of  
17 scenic and aesthetic beauty.

18 (d) Pedestrian ways along or across a street,  
19 whether at grade or above or below the surface, and  
20 street lighting, street landscaping, and street art  
21 objects are parts of and necessary components of a  
22 street and are considered to be a street or road  
23 improvement.

24 (e) The district will not act as the agent or  
25 instrumentality of any private interest even though  
26 many private interests will be benefited by the  
27 district, as will the general public.

28 Revised Law

29 Sec. 3801.005. DISTRICT TERRITORY. (a) The district is  
30 composed of the territory described by Section 23.04(b), Chapter  
31 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
32 former Section 376.004, Local Government Code, and by Section 1,  
33 Chapter 360, Acts of the 76th Legislature, Regular Session, 1999,  
34 as that territory may have been modified under:

35 (1) Subchapter J, Chapter 49, Water Code; or

36 (2) other law.

37 (b) The boundaries and field notes of the district contained  
38 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
39 Regular Session, 1997, enacting former Section 376.004, Local  
40 Government Code, and in Section 1, Chapter 360, Acts of the 76th  
41 Legislature, Regular Session, 1999, form a closure. A mistake in  
42 the field notes or in copying the field notes in the legislative  
43 process does not in any way affect:

44 (1) the district's organization, existence, and  
45 validity;

46 (2) the district's right to issue any type of bond,  
47 including a refunding bond, for a purpose for which the district is

1 created or to pay the principal of and interest on the bond;

2 (3) the district's right to impose and collect an  
3 assessment or tax;

4 (4) the validity of the enlargement of the district  
5 under Section 1, Chapter 360, Acts of the 76th Legislature, Regular  
6 Session, 1999; or

7 (5) the legality or operation of the district or the  
8 board. (Loc. Gov. Code, Sec. 376.005; Acts 76th Leg., R.S., Ch.  
9 360, Sec. 2; New.)

10 Source Law

11 Sec. 376.005. FINDINGS RELATING TO  
12 BOUNDARIES. The boundaries and field notes of the  
13 district form a closure. If a mistake is made in the  
14 field notes or in copying the field notes in the  
15 legislative process, the mistake does not in any way  
16 affect the:

17 (1) organization, existence, and validity  
18 of the district;

19 (2) right of the district to issue any type  
20 of bonds or refunding bonds for the purposes for which  
21 the district is created or to pay the principal of and  
22 interest on the bonds;

23 (3) right of the district to impose and  
24 collect assessments or taxes; or

25 (4) legality or operation of the district  
26 or its governing body.

27 [Ch. 360]

28 Sec. 2. The boundaries and field notes of the  
29 Houston Downtown Management District as enlarged by  
30 this Act form a closure. If a mistake is made in the  
31 field notes or in copying the field notes in the  
32 legislative process, the mistake does not in any way  
33 affect the:

34 (1) organization, existence, and validity  
35 of the Houston Downtown Management District;

36 (2) right of the Houston Downtown  
37 Management District to issue any type of bonds or  
38 refunding bonds for the purposes for which the Houston  
39 Downtown Management District is created or pay the  
40 principal of and interest on the bonds;

41 (3) right of the Houston Downtown  
42 Management District to impose and collect assessments  
43 or taxes;

44 (4) validity of the enlargement of the  
45 Houston Downtown Management District by this Act; or

46 (5) legality or operation of the Houston  
47 Downtown Management District or its governing body.

48 Revisor's Note

49 The revision of the law governing the Houston  
50 Downtown Management District does not revise the  
51 statutory language describing the territory of the

1 district to avoid the lengthy recitation of the  
2 description and because that description may not be  
3 accurate on the effective date of the revision or at  
4 the time of a later reading. For the reader's  
5 convenience, the revised law includes references to  
6 the statutory descriptions of the district's territory  
7 and a reference to statutory authority to change the  
8 district's territory under Subchapter J, Chapter 49,  
9 Water Code. Sections 375.043 and 375.044, Local  
10 Government Code, which apply to the district under  
11 Section 376.007, Local Government Code (revised in  
12 this chapter as Section 3801.007), provide that a  
13 management district may annex or exclude territory in  
14 the manner provided by Chapter 54, Water Code.  
15 Sections 54.701-54.727, Water Code, which provided for  
16 the annexation or exclusion of territory by a  
17 municipal utility district, were repealed by Section  
18 43, Chapter 715, Acts of the 74th Legislature, Regular  
19 Session, 1995. Section 2 of that act added Chapter 49,  
20 Water Code, including Subchapter J of that chapter,  
21 which now provides for the annexation or exclusion of  
22 territory by a municipal utility district; the  
23 references in Sections 375.043 and 375.044, Local  
24 Government Code, to the repealed annexation and  
25 exclusion provisions in Chapter 54, Water Code, may be  
26 considered to be references to the similar provisions  
27 in Chapter 49, Water Code, and the revised law reflects  
28 this change. The revised law also includes a reference  
29 to the general authority of the legislature to enact  
30 other laws to change the district's territory.

31 Revised Law

32 Sec. 3801.006. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
33 any part of the area of the district is eligible to be included in:

- 34 (1) a tax increment reinvestment zone created by the

1 City of Houston under Chapter 311, Tax Code; or

2 (2) a tax abatement reinvestment zone created by the  
3 City of Houston under Chapter 312, Tax Code. (Loc. Gov. Code, Sec.  
4 376.028.)

5 Source Law

6 Sec. 376.028. REINVESTMENT ZONES. All or any  
7 part of the area of the district is eligible to be  
8 included in a tax incremental reinvestment zone  
9 created by the municipality under Chapter 311, Tax  
10 Code, or included in a tax abatement reinvestment zone  
11 created by the municipality under Chapter 312, Tax  
12 Code.

13 Revised Law

14 Sec. 3801.007. APPLICABILITY OF OTHER LAW. Except as  
15 otherwise provided by this chapter, Chapter 375, Local Government  
16 Code, applies to the district. (Loc. Gov. Code, Sec. 376.007.)

17 Source Law

18 Sec. 376.007. APPLICATION OF OTHER LAW. Except  
19 as otherwise provided by this subchapter, Chapter 375  
20 applies to the district.

21 Revised Law

22 Sec. 3801.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
23 chapter shall be liberally construed in conformity with the  
24 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
25 376.008.)

26 Source Law

27 Sec. 376.008. CONSTRUCTION OF  
28 SUBCHAPTER. This subchapter shall be liberally  
29 construed in conformity with the findings and purposes  
30 stated in this subchapter.

31 [Sections 3801.009-3801.050 reserved for expansion]

32 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

33 Revised Law

34 Sec. 3801.051. BOARD OF DIRECTORS; TERMS. The district is  
35 governed by a board of 30 directors who serve staggered terms of  
36 four years, with seven or eight directors' terms expiring June 1 of  
37 each year. (Loc. Gov. Code, Sec. 376.009(a).)

38 Source Law

39 Sec. 376.009. BOARD OF DIRECTORS IN  
40 GENERAL. (a) The district is governed by a board of

1 30 directors who serve staggered terms of four years  
2 with seven or eight members' terms expiring June 1 of  
3 each year.

4 Revisor's Note

5 Section 376.009(b), Local Government Code,  
6 provides that Subchapter D, Chapter 375, Local  
7 Government Code, applies to the board to the extent  
8 that Subchapter D does not conflict with Subchapter A,  
9 Chapter 376, Local Government Code (revised as this  
10 chapter). The revised law omits that provision  
11 because it duplicates Section 376.007, Local  
12 Government Code (revised in this chapter as Section  
13 3801.007), Section 376.012, Local Government Code  
14 (revised in this chapter as Section 3801.101), and  
15 Section 376.014, Local Government Code (revised in  
16 this chapter as Section 3801.102). Revised Section  
17 3801.007 provides that Chapter 375, Local Government  
18 Code, applies to the district except as otherwise  
19 provided by this chapter, and revised Section 3801.102  
20 provides that this chapter prevails over any law to  
21 which revised Section 3801.101 refers that is in  
22 conflict with or is inconsistent with this chapter.  
23 Revised Section 3801.101 refers to Chapter 375, Local  
24 Government Code. The omitted law reads:

25 (b) Subchapter D, Chapter 375,  
26 applies to the board to the extent that  
27 subchapter does not conflict with this  
28 subchapter.

29 Revised Law

30 Sec. 3801.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
31 and members of the governing body of the City of Houston shall  
32 appoint directors from persons recommended by the board.

33 (b) A person may not be appointed to the board if the  
34 appointment of that person would result in fewer than two-thirds of  
35 the directors being residents of the city of Houston. (Loc. Gov.  
36 Code, Secs. 376.010(a) (part), (b).)

1 Source Law

2 Sec. 376.010. APPOINTMENT OF DIRECTORS;  
3 VACANCY. (a) The mayor and members of the governing  
4 body of the municipality shall appoint directors from  
5 persons recommended by the board. . . .

6 (b) A person may not be appointed to the board if  
7 the appointment of that person would result in less  
8 than two-thirds of the board members being residents  
9 of the municipality.

10 Revisor's Note

11 Section 376.010(a), Local Government Code,  
12 refers to a vacancy in the office of director "because  
13 of the death, resignation, or removal of a director"  
14 and provides for appointing a replacement. The  
15 revised law omits that provision because it  
16 substantively duplicates Section 375.066, Local  
17 Government Code. Section 376.007, Local Government  
18 Code (revised in this chapter as Section 3801.007),  
19 provides that Chapter 375, Local Government Code,  
20 applies to the district. Therefore, it is not  
21 necessary to revise statutes that duplicate provisions  
22 in that chapter. Although Section 375.066 does not  
23 refer to "the death, resignation, or removal of a  
24 director," that language is unnecessary because the  
25 quoted language merely describes every manner in which  
26 a vacancy may occur without limiting in any way the  
27 board's duty to fill a vacancy. The omitted law reads:

28 (a) . . . A vacancy in the office of  
29 director because of the death, resignation,  
30 or removal of a director shall be filled by  
31 the remaining members of the board by  
32 appointing a qualified person for the  
33 unexpired term.

34 Revised Law

35 Sec. 3801.053. EX OFFICIO DIRECTORS. (a) The following  
36 persons serve as nonvoting ex officio directors:

37 (1) the directors of the parks and recreation,  
38 planning and development, public works, and civic center  
39 departments of the City of Houston;

40 (2) the chief of police of the City of Houston; and

1 (3) the general manager of the Metropolitan Transit  
2 Authority of Harris County, Texas.

3 (b) If a department described by Subsection (a) is  
4 consolidated, renamed, or changed, the board may appoint the  
5 director of the consolidated, renamed, or changed department as a  
6 nonvoting ex officio director. If a department described by  
7 Subsection (a) is abolished, the board may appoint a representative  
8 of another department of the City of Houston that performs duties  
9 comparable to those performed by the abolished department.

10 (c) The board may appoint the presiding officer of another  
11 nonprofit corporation actively involved in downtown activities in  
12 the city of Houston to serve as a nonvoting ex officio director.  
13 (Loc. Gov. Code, Sec. 376.011.)

14 Source Law

15 Sec. 376.011. EX OFFICIO MEMBERS OF BOARD OF  
16 DIRECTORS. (a) The directors of the parks and  
17 recreation, planning and development, public works,  
18 and civic center departments of the municipality, the  
19 chief of police of the municipality, and the general  
20 manager of the metropolitan transit authority of the  
21 county each shall serve as a nonvoting ex officio  
22 member of the board.

23 (b) If any of the departments described by  
24 Subsection (a) are consolidated, renamed, changed, or  
25 abolished, the board may appoint the directors of the  
26 consolidated, renamed, or changed departments as  
27 nonvoting ex officio members of the board or the board  
28 may appoint a representative of another department of  
29 the municipality that performs duties comparable to  
30 those performed by the abolished department.

31 (c) The board may appoint the presiding officers  
32 of other nonprofit corporations actively involved in  
33 downtown activities in the municipality to serve as  
34 nonvoting ex officio members of the board.

35 [Sections 3801.054-3801.100 reserved for expansion]

36 SUBCHAPTER C. POWERS AND DUTIES

37 Revised Law

38 Sec. 3801.101. DISTRICT POWERS. The district has:

39 (1) all powers necessary to accomplish the purposes  
40 for which the district was created;

41 (2) the rights, powers, privileges, authority, and  
42 functions of a district created under Chapter 375, Local Government  
43 Code;

1 (3) the powers given to a corporation under Section  
2 4B, the Development Corporation Act of 1979 (Article 5190.6,  
3 Vernon's Texas Civil Statutes), and the power to own, operate,  
4 acquire, construct, lease, improve, and maintain projects, other  
5 than a domed football stadium, described by that section; and

6 (4) the powers of a housing finance corporation  
7 created under Chapter 394, Local Government Code, to provide  
8 housing or residential development projects in the district. (Loc.  
9 Gov. Code, Sec. 376.012(a) (part).)

10 Source Law

11 Sec. 376.012. POWERS OF DISTRICT. (a) The  
12 district has:

13 (1) all powers necessary or required to  
14 accomplish the purposes for which the district was  
15 created;

16 (2) the rights, powers, privileges,  
17 authority, and functions of a district created under  
18 Chapter 375;

19 (3) the powers given to a corporation  
20 under Section 4B, the Development Corporation Act of  
21 1979 (Article 5190.6, Vernon's Texas Civil Statutes)  
22 and the power to own, operate, acquire, construct,  
23 lease, improve, and maintain projects, other than a  
24 domed football stadium, described by that section;

25 (4) the power of a housing finance  
26 corporation created under Chapter 394 to provide  
27 housing or residential development projects in the  
28 district;

29 . . .

30 Revisor's Note

31 Section 376.012(a)(1), Local Government Code,  
32 refers to powers "necessary or required" to accomplish  
33 the purposes of the district. The revised law omits  
34 "required" because, in this context, it is included in  
35 the meaning of "necessary."

36 Revised Law

37 Sec. 3801.102. RELATION TO OTHER LAW. This chapter  
38 prevails over a law to which Section 3801.101 refers that is in  
39 conflict with or is inconsistent with this chapter. (Loc. Gov.  
40 Code, Sec. 376.014 (part).)

41 Source Law

42 Sec. 376.014. RELATION TO OTHER LAW. If any  
43 provision of a law referenced in Section 376.012 is in  
44 conflict with or is inconsistent with this subchapter,

1 this subchapter prevails. . . .

2 Revisor's Note

3 Section 376.014, Local Government Code, provides  
4 for the adoption and incorporation by reference of  
5 laws to which Subchapter A, Chapter 376, Local  
6 Government Code, refers. The revised law omits the  
7 provision as unnecessary. Because this chapter  
8 references the laws that apply to the district, it is  
9 not necessary to duplicate the substance of those laws  
10 in this section by means of adoption and  
11 incorporation. The omitted law reads:

12 Sec. 376.014. . . . Any law  
13 referenced in this subchapter that is not in  
14 conflict or inconsistent with this  
15 subchapter is adopted and incorporated by  
16 reference.

17 Revised Law

18 Sec. 3801.103. NONPROFIT CORPORATION. (a) The board by  
19 resolution may authorize the creation of a nonprofit corporation to  
20 assist and act for the district in implementing a project or  
21 providing a service authorized by this chapter.

22 (b) The nonprofit corporation:

23 (1) has each power of and is considered for purposes of  
24 this chapter to be a local government corporation created under  
25 Chapter 431, Transportation Code; and

26 (2) may implement any project and provide any service  
27 authorized by this chapter.

28 (c) The board shall appoint the board of directors of the  
29 nonprofit corporation. The board of directors of the nonprofit  
30 corporation shall serve in the same manner as, for the same term as,  
31 and on the same conditions as the board of directors of a local  
32 government corporation created under Chapter 431, Transportation  
33 Code. (Loc. Gov. Code, Sec. 376.017.)

34 Source Law

35 Sec. 376.017. NONPROFIT CORPORATION. (a) The  
36 board by resolution may authorize the creation of a  
37 nonprofit corporation to assist and act on behalf of  
38 the district in implementing a project or providing a

1 service authorized by this subchapter.

2 (b) The board shall appoint the board of  
3 directors of a nonprofit corporation created under  
4 this section. The board of directors of the nonprofit  
5 corporation shall serve in the same manner as, for the  
6 same term as, and on the conditions of the board of  
7 directors of a local government corporation created  
8 under Chapter 431, Transportation Code.

9 (c) A nonprofit corporation created under this  
10 section has the powers of and is considered for  
11 purposes of this subchapter to be a local government  
12 corporation created under Chapter 431, Transportation  
13 Code.

14 (d) A nonprofit corporation created under this  
15 section may implement any project and provide any  
16 services authorized by this subchapter.

17 Revised Law

18 Sec. 3801.104. CONTRACTS; GRANTS. (a) To protect the  
19 public interest, the district may contract with Harris County or  
20 the City of Houston for the county or the city to provide law  
21 enforcement services in the district for a fee.

22 (b) Harris County, the City of Houston, or another political  
23 subdivision of this state, without further authorization, may  
24 contract with the district to implement a project of the district or  
25 assist the district in providing a service authorized under this  
26 chapter. A contract under this subsection may:

27 (1) be for a period on which the parties agree;

28 (2) include terms on which the parties agree;

29 (3) be payable from taxes or any other source of  
30 revenue that may be available for that project or service; or

31 (4) provide terms under which taxes or other revenue  
32 collected at a district project or from a person using or purchasing  
33 a commodity or service at a district project may be paid or rebated  
34 to the district.

35 (c) The district may enter into a contract, lease, or other  
36 agreement with or make or accept a grant or loan to or from any  
37 person, including:

38 (1) the United States;

39 (2) this state or a state agency;

40 (3) any political subdivision of this state; and

41 (4) a public or private corporation, including a  
42 nonprofit corporation created by the board under this subchapter.

1 (d) The district may perform all acts necessary for the full  
2 exercise of the powers vested in the district on terms and for the  
3 period the board determines advisable. (Loc. Gov. Code, Sec.  
4 376.026.)

5 Source Law

6 Sec. 376.026. CONTRACTS. (a) To protect the  
7 public interest, the district may contract with the  
8 municipality or county for the provision of law  
9 enforcement services by the county or municipality in  
10 the district on a fee basis.

11 (b) The municipality, county, or another  
12 political subdivision of the state, without further  
13 authorization, may contract with the district to  
14 implement a project of the district or assist the  
15 district in providing the services authorized under  
16 this subchapter. A contract under this subsection  
17 may:

18 (1) be for a period on which the parties  
19 agree;

20 (2) include terms on which the parties  
21 agree;

22 (3) be payable from taxes or any other  
23 sources of revenue that may be available for such  
24 purpose; or

25 (4) provide that taxes or other revenue  
26 collected at a district project or from a person using  
27 or purchasing a commodity or service at a district  
28 project may be paid or rebated to the district under  
29 the terms of the contract.

30 (c) The district may enter into a contract,  
31 lease, or other agreement with or make or accept grants  
32 and loans to or from:

33 (1) the United States;

34 (2) the state or a state agency;

35 (3) any county, any municipality, or  
36 another political subdivision of the state;

37 (4) a public or private corporation,  
38 including a nonprofit corporation created by the board  
39 under this subchapter; or

40 (5) any other person.

41 (d) The district may perform all acts necessary  
42 for the full exercise of the powers vested in the  
43 district on terms and for the period the board  
44 determines advisable.

45 Revisor's Note

46 Section 376.026(c)(3), Local Government Code,  
47 refers to any "county, any municipality, or another  
48 political subdivision of the state." The revised law  
49 omits the references to "county" and "municipality"  
50 because "county" and "municipality" are included in  
51 the meaning of "political subdivision."

52 Revised Law

53 Sec. 3801.105. COMPETITIVE BIDDING. The district may

1 enter into a contract for more than \$10,000 for services,  
2 improvements, or the purchase of property, including materials,  
3 machinery, equipment, and supplies, only as provided by Subchapter  
4 K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
5 376.027.)

6 Source Law

7 Sec. 376.027. COMPETITIVE BIDDING. The  
8 district may enter a contract for more than \$10,000 for  
9 services, improvements, or the purchase of property,  
10 including materials, machinery, equipment, or  
11 supplies, only as provided by Subchapter K, Chapter  
12 375.

13 Revised Law

14 Sec. 3801.106. APPROVAL OF CERTAIN IMPROVEMENT  
15 PROJECTS. The district must obtain the approval of the City of  
16 Houston of the plans and specifications of any district improvement  
17 project related to the use of land owned by the City of Houston, an  
18 easement granted by the City of Houston, or a right-of-way of a  
19 street, road, or highway. (Loc. Gov. Code, Sec. 376.021.)

20 Source Law

21 Sec. 376.021. APPROVAL OF CERTAIN IMPROVEMENT  
22 PROJECTS. The district must obtain the municipality's  
23 approval of the plans and specifications of any  
24 district improvement project related to the use of  
25 land owned by the municipality, an easement granted by  
26 the municipality, or a right-of-way of a street, road,  
27 or highway.

28 Revisor's Note  
29 (End of Subchapter)

30 (1) Section 376.012(b), Local Government Code,  
31 in part prohibits the district from exercising the  
32 power of eminent domain. The revised law omits that  
33 provision because it duplicates Section 375.094, Local  
34 Government Code. Section 376.007, Local Government  
35 Code (revised in this chapter as Section 3801.007),  
36 provides that Chapter 375, Local Government Code,  
37 applies to the district. Therefore, it is not  
38 necessary to revise statutes that duplicate provisions  
39 in that chapter. The omitted law reads:

40 (b) [The district] . . . may not

1           acquire property through eminent domain.

2           (2) Section 376.013, Local Government Code,  
3 provides that the district is solely responsible for  
4 expenses related to certain actions taken by the  
5 district and is liable for damages resulting from  
6 those actions. The revised law omits that section  
7 because it duplicates Section 375.093(c), Local  
8 Government Code. Section 376.007, Local Government  
9 Code (revised in this chapter as Section 3801.007),  
10 provides that Chapter 375, Local Government Code,  
11 applies to the district. Therefore, it is not  
12 necessary to revise statutes that duplicate provisions  
13 in that chapter. The omitted law reads:

14                   Sec. 376.013. EXPENSES AND LIABILITY  
15                   FOR CERTAIN ACTIONS AFFECTING  
16                   PROPERTY. (a) If the district, in  
17                   exercising a power conferred by this  
18                   subchapter, requires a relocation,  
19                   adjustment, raising, lowering, rerouting,  
20                   or changing of the grade or the construction  
21                   of any of the following items, the district  
22                   must take that required action at the sole  
23                   expense of the district:

24                           (1) a street, alley, highway,  
25                           overpass, underpass, road, railroad track,  
26                           bridge, facility, or other property;

27                           (2) an electric line, conduit,  
28                           facility, or other property;

29                           (3) a telephone or telegraph  
30                           line, conduit, facility, or other property;

31                           (4) a gas transmission or  
32                           distribution pipe, pipeline, main,  
33                           facility, or other property;

34                           (5) a water, sanitary sewer, or  
35                           storm sewer pipe, pipeline, main, facility,  
36                           or other property;

37                           (6) a cable television line,  
38                           cable, conduit, facility, or other  
39                           property; or

40                           (7) another pipeline, facility,  
41                           or other property relating to the pipeline.

42                   (b) The district shall bear damages  
43                   that are suffered by owners of the facility  
44                   or other property.

45           [Sections 3801.107-3801.150 reserved for expansion]

46                           SUBCHAPTER D. FINANCIAL PROVISIONS

47   Revised Law

48           Sec. 3801.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
49 IMPROVEMENTS. (a) The board may not finance a service or an

1 improvement project under this chapter unless a written petition  
2 requesting that service or improvement is filed with the board.

3 (b) The petition must be signed by:

4 (1) the owners of a majority of the assessed value of  
5 real property in the district according to the most recent  
6 certified tax appraisal roll for Harris County; or

7 (2) at least 50 owners of land in the district, if more  
8 than 50 persons own property in the district according to the most  
9 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
10 Code, Sec. 376.015.)

11 Source Law

12 Sec. 376.015. REQUIREMENTS FOR FINANCING  
13 SERVICES AND IMPROVEMENTS. The board may not finance  
14 services and improvement projects under this  
15 subchapter unless a written petition requesting those  
16 improvements or services has been filed with the  
17 board. The petition must be signed by:

18 (1) the owners of a majority of the  
19 assessed value of real property in the district as  
20 determined by the most recent certified county  
21 property tax rolls; or

22 (2) at least 50 persons who own land in the  
23 district, if there are more than 50 persons who own  
24 property in the district as determined by the most  
25 recent certified county property tax rolls.

26 Revisor's Note

27 Section 376.015, Local Government Code, refers to  
28 "the most recent certified [Harris] county property  
29 tax rolls." The revised law substitutes a reference to  
30 "the most recent certified tax appraisal roll for  
31 Harris County" to conform to the terminology of Title  
32 1, Tax Code, including Section 26.01 of that code,  
33 requiring the chief appraiser of an appraisal district  
34 to certify to the tax assessor of each taxing unit that  
35 has property in the appraisal district an appraisal  
36 roll that lists the properties taxable by that taxing  
37 unit and the value of those properties.

38 Revised Law

39 Sec. 3801.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
40 board by resolution shall establish the number of directors'

1 signatures and the procedure required for a disbursement or  
2 transfer of the district's money. (Loc. Gov. Code, Sec. 376.018.)

3 Source Law

4 Sec. 376.018. DISBURSEMENTS OR TRANSFERS OF  
5 FUNDS. The board by resolution shall establish the  
6 number of directors' signatures and the procedure  
7 required for a disbursement or transfer of the  
8 district's money.

9 Revised Law

10 Sec. 3801.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
11 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
12 tax, assessment, or impact fee as provided by Chapter 375, Local  
13 Government Code, to provide an improvement or service for a project  
14 or activity the district may acquire, construct, improve, or  
15 provide under this chapter. (Loc. Gov. Code, Sec. 376.012(a)  
16 (part).)

17 Source Law

18 (a) The district has:

19 . . .  
20 (5) the power to impose ad valorem taxes,  
21 assessments, or impact fees in accordance with Chapter  
22 375 to provide improvements and services for a project  
23 or activity the district is authorized to acquire,  
24 construct, improve, or provide under this subchapter;  
25 and  
26 . . .

27 Revised Law

28 Sec. 3801.154. MAINTENANCE TAX. (a) If authorized at an  
29 election held in accordance with Section 3801.158, the district may  
30 impose an annual ad valorem tax on taxable property in the district  
31 to:

32 (1) maintain and operate the district and the  
33 improvements constructed or acquired by the district; or

34 (2) provide services to industrial or commercial  
35 businesses, residents, or property owners.

36 (b) The board shall determine the tax rate. (Loc. Gov.  
37 Code, Sec. 376.024.)

38 Source Law

39 Sec. 376.024. MAINTENANCE TAX. (a) If  
40 authorized at an election held in accordance with  
41 Section 376.022, the district may impose and collect

1 an annual ad valorem tax on taxable property in the  
2 district for the maintenance and operation of the  
3 district and the improvements constructed or acquired  
4 by the district or for the provision of services to  
5 industrial or commercial businesses, residents, or  
6 property owners.

7 (b) The board shall determine the tax rate.

8 Revisor's Note

9 Section 376.024(a), Local Government Code,  
10 states that the district may "impose and collect" an ad  
11 valorem tax. The revised law omits "and collect"  
12 because "impose" is the term generally used in Title 1,  
13 Tax Code, and includes the collection of an ad valorem  
14 tax.

15 Revised Law

16 Sec. 3801.155. ASSESSMENTS; LIENS FOR  
17 ASSESSMENTS. (a) The board by resolution may impose and collect  
18 an assessment for any purpose authorized by this chapter.

19 (b) An assessment, a reassessment, or an assessment  
20 resulting from an addition to or correction of the assessment roll  
21 by the district, penalties and interest on an assessment or  
22 reassessment, an expense of collection, and reasonable attorney's  
23 fees incurred by the district:

24 (1) are a first and prior lien against the property  
25 assessed;

26 (2) are superior to any other lien or claim other than  
27 a lien or claim for county, school district, or municipal ad valorem  
28 taxes; and

29 (3) are the personal liability of and a charge against  
30 the owners of the property even if the owners are not named in the  
31 assessment proceeding.

32 (c) The lien is effective from the date of the board's  
33 resolution imposing the assessment until the date the assessment is  
34 paid. The board may enforce the lien in the same manner that the  
35 board may enforce an ad valorem tax lien against real property.

36 (d) The board may correct, add to, or delete assessments  
37 from its assessment rolls after notice and hearing as provided by

1 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
2 Secs. 376.012(a) (part), 376.020.)

3 Source Law

4 [Sec. 376.012]

5 (a) The district has:

6  
7 (6) the power to correct, add to, or delete  
8 assessments from its assessment rolls after notice and  
9 hearing as provided by Subchapter F, Chapter 375.

10 Sec. 376.020. ASSESSMENTS. (a) The board may  
11 impose and collect an assessment for any purpose  
12 authorized by this subchapter.

13 (b) Assessments, reassessments, or assessments  
14 resulting from an addition to or correction of the  
15 assessment roll by the district, penalties and  
16 interest on an assessment or reassessment, expenses of  
17 collection, and reasonable attorney's fees incurred by  
18 the district:

19 (1) are a first and prior lien against the  
20 property assessed;

21 (2) are superior to any other lien or claim  
22 other than a lien or claim for county, school district,  
23 or municipal ad valorem taxes; and

24 (3) are the personal liability of and  
25 charge against the owners of the property even if the  
26 owners are not named in the assessment proceedings.

27 (c) The lien is effective from the date of the  
28 resolution of the board levying the assessment until  
29 the assessment is paid. The board may enforce the lien  
30 in the same manner that the board may enforce an ad  
31 valorem tax lien against real property.

32 Revised Law

33 Sec. 3801.156. PROHIBITED EXEMPTIONS. A single-family  
34 residential property or a residential duplex, triplex, fourplex, or  
35 condominium may not be exempt from the imposition of a tax, an  
36 impact fee, or an assessment if the tax, impact fee, or assessment  
37 is imposed in accordance with this chapter. (Loc. Gov. Code, Sec.  
38 376.016.)

39 Source Law

40 Sec. 376.016. PROHIBITED EXEMPTIONS. A single  
41 family residential property or a residential duplex,  
42 triplex, quadruplex, or condominium may not be exempt  
43 from the imposition of a tax, an impact fee, or an  
44 assessment if the tax, impact fee, or assessment is  
45 imposed in accordance with this subchapter.

46 Revised Law

47 Sec. 3801.157. OBLIGATIONS; APPROVAL BY CITY OF  
48 HOUSTON. (a) The district may issue bonds or other obligations  
49 payable in whole or in part from ad valorem taxes, assessments,

1 impact fees, revenue, grants, or other money of the district, or any  
2 combination of those sources of money, to pay for any authorized  
3 purpose of the district, other than to finance a domed football  
4 stadium.

5 (b) In exercising the district's borrowing power, the  
6 district may issue a bond or other obligation in the form of a bond,  
7 note, certificate of participation or other instrument evidencing a  
8 proportionate interest in payments to be made by the district, or  
9 other type of obligation.

10 (c) Except as provided by Subsection (d), the district must  
11 obtain the approval of the City of Houston:

12 (1) for the issuance of a bond for each improvement  
13 project; and

14 (2) of the plans and specifications of the improvement  
15 project to be financed by the bond.

16 (d) If the district obtains the approval of the City of  
17 Houston of a capital improvements budget for a specified period not  
18 to exceed five years, the district may finance the capital  
19 improvements and issue bonds specified in the budget without  
20 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
21 376.019(a), (b), (c), (d).)

22 Source Law

23 Sec. 376.019. BONDS. (a) The district may  
24 issue bonds or other obligations payable in whole or in  
25 part from ad valorem taxes, assessments, impact fees,  
26 revenues, grants, or other money of the district, or  
27 any combination of those sources of money, to pay for  
28 any authorized purpose of the district, other than to  
29 finance a domed football stadium.

30 (b) Bonds or other obligations of the district  
31 may be issued in the form of bonds, notes, certificates  
32 of participation, including other instruments  
33 evidencing a proportionate interest in payments to be  
34 made by the district, or other obligations that are  
35 issued in the exercise of the district's borrowing  
36 power and may be issued in bearer or registered form or  
37 not represented by an instrument but the transfer of  
38 which is registered on books maintained by or on behalf  
39 of the district.

40 (c) Except as provided by Subsection (d), the  
41 district must obtain the municipality's approval of:

42 (1) the issuance of bonds for an  
43 improvement project; and

44 (2) the plans and specifications of the  
45 improvement project to be financed by the bonds.

1 (d) If the district obtains the municipality's  
2 approval of a capital improvements budget for a  
3 specified period not to exceed five years, the  
4 district may finance the capital improvements and  
5 issue bonds specified in the budget without further  
6 municipal approval.

7 Revisor's Note

8 (1) Section 376.019(b), Local Government Code,  
9 states that obligations "may be issued in bearer or  
10 registered form or not represented by an instrument  
11 but the transfer of which is registered on books  
12 maintained by or on behalf of the district." The  
13 revised law omits the quoted language as unnecessary  
14 because it substantively duplicates Sections  
15 1201.022(a)(2) and 1201.023, Government Code. Section  
16 1201.022(a)(2) permits bearer or registered form.  
17 Section 1201.023 permits uncertificated book entry.  
18 Those sections apply to obligations issued under  
19 Section 376.019, Local Government Code, by application  
20 of Section 1201.002, Government Code.

21 (2) Section 376.019(e), Local Government Code,  
22 provides that before issuing bonds the district must  
23 submit the bonds and the record of the district's bond  
24 proceedings to the attorney general for approval. The  
25 revised law omits Section 376.019(e) as unnecessary  
26 because it substantively duplicates Section 1202.003,  
27 Government Code. That section applies to bonds issued  
28 under Section 376.019, Local Government Code, by  
29 application of Section 1202.001, Government Code. The  
30 omitted law reads:

31 (e) Before the district issues bonds,  
32 the district shall submit the bonds and the  
33 record of proceedings of the district  
34 relating to authorization of the bonds to  
35 the attorney general for approval as  
36 provided by Chapter 1202, Government Code.

37 Revised Law

38 Sec. 3801.158. ELECTIONS REGARDING TAXES OR  
39 BONDS. (a) In addition to the elections required under

1 Subchapter L, Chapter 375, Local Government Code, the district must  
2 hold an election in the manner provided by that subchapter to obtain  
3 voter approval before the district may:

4 (1) impose a maintenance tax; or

5 (2) issue a bond payable from ad valorem taxes or  
6 assessments.

7 (b) The board may submit multiple purposes in a single  
8 proposition at an election.

9 (c) The board may not call an election under this chapter  
10 unless a written petition requesting an election has been filed  
11 with the board. The petition must be signed by:

12 (1) the owners of a majority of the assessed value of  
13 real property in the district according to the most recent  
14 certified tax appraisal roll for Harris County; or

15 (2) at least 50 owners of land in the district, if more  
16 than 50 persons own property in the district as determined by the  
17 most recent certified tax appraisal roll for Harris County. (Loc.  
18 Gov. Code, Sec. 376.022.)

19 Source Law

20 Sec. 376.022. ELECTIONS. (a) In addition to  
21 the elections the district must hold under Subchapter  
22 L, Chapter 375, the district shall hold an election in  
23 the manner provided by that subchapter to obtain voter  
24 approval before the district imposes a maintenance tax  
25 or issues bonds payable from ad valorem taxes or  
26 assessments.

27 (b) The board may submit multiple purposes in a  
28 single proposition at an election.

29 (c) The board may not call an election under  
30 this subchapter unless a written petition requesting  
31 an election has been filed with the board. The  
32 petition must be signed by:

33 (1) the owners of a majority of the  
34 assessed value of real property in the district as  
35 determined by the most recent certified county  
36 property tax rolls; or

37 (2) at least 50 persons who own land in the  
38 district, if there are more than 50 persons who own  
39 property in the district as determined by the most  
40 recent certified county property tax rolls.

41 Revisor's Note

42 Section 376.022, Local Government Code, refers to  
43 "the most recent certified [Harris] county property  
44 tax rolls." The revised law substitutes a reference to

1 "the most recent certified tax appraisal roll for  
2 Harris County" for the reason stated in the revisor's  
3 note to Section 3801.151.

4 Revised Law

5 Sec. 3801.159. SALES AND USE TAX PROHIBITED. The district  
6 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
7 376.012(b) (part).)

8 Source Law

9 (b) The district may not impose a sales and use  
10 tax and . . . .

11 Revisor's Note  
12 (End of Subchapter)

13 Section 376.023, Local Government Code, grants  
14 the district the power to impose impact fees as  
15 provided by Subchapter G, Chapter 375, Local  
16 Government Code. The revised law omits Section  
17 376.023 as unnecessary. Section 376.007, Local  
18 Government Code (revised in this chapter as Section  
19 3801.007), provides that Chapter 375, Local Government  
20 Code, applies to the district. Therefore, it is not  
21 necessary to revise statutes that merely grant the  
22 district powers under that chapter. The omitted law  
23 reads:

24 Sec. 376.023. IMPACT FEES. The  
25 district may impose an impact fee for an  
26 authorized purpose as provided by  
27 Subchapter G, Chapter 375.

28 [Sections 3801.160-3801.200 reserved for expansion]

29 SUBCHAPTER E. DISSOLUTION

30 Revised Law

31 Sec. 3801.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
32 DEBT. Despite this section and Section 375.264, Local Government  
33 Code, the district may be dissolved as provided by Subchapter M,  
34 Chapter 375, Local Government Code, if the district has debt. If  
35 the district has debt when it is dissolved, the district shall  
36 remain in existence solely for the purpose of discharging its bonds

1 or other obligations according to their terms. (Loc. Gov. Code,  
2 Sec. 376.025.)

3 Source Law

4 Sec. 376.025. DISSOLUTION OF DISTRICT. (a) The  
5 district may be dissolved as provided by Subchapter M,  
6 Chapter 375.

7 (b) Regardless of Section 375.264, a district  
8 that has debt may be dissolved as provided by  
9 Subchapter M, Chapter 375. If the district has debt  
10 and is dissolved, the district shall remain in  
11 existence solely for the limited purpose of  
12 discharging its bonds or other obligations according  
13 to their terms.

14 CHAPTER 3802. WESTCHASE DISTRICT

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20 CHAPTER 3802. WESTCHASE DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Revised Law

23 Sec. 3802.001. DEFINITIONS. In this chapter:

24 (1) "Board" means the board of directors of the

25 district.

26 (2) "District" means the Westchase District. (Loc.

27 Gov. Code, Secs. 376.043(1), (3).)

28 Source Law

29 Sec. 376.043. DEFINITIONS. In this

30 subchapter:

31 (1) "Board" means the board of directors

32 of the district.

33 (3) "District" means the Westchase Area

34 Management District.

35 Revisor's Note

36 (1) Section 376.043(3), Local Government Code,

1 defines "district" to mean "the Westchase Area  
2 Management District." Throughout this chapter, the  
3 revised law substitutes "Westchase District" for  
4 "Westchase Area Management District" to reflect the  
5 change of the district's name as provided by a  
6 resolution of the district adopted on May 26, 1996.

7 (2) Sections 376.043(2) and (4), Local  
8 Government Code, respectively define "county" as  
9 Harris County and "municipality" as the City of  
10 Houston. The revised law omits the definitions for  
11 ease of understanding. Throughout this chapter, the  
12 revised law instead refers to Harris County and the  
13 City of Houston, unless the context clearly shows that  
14 the term "county" or "municipality" refers generally  
15 to any county or municipality. The omitted law reads:

16 (2) "County" means Harris  
17 County, Texas.

18 (4) "Municipality" means the  
19 City of Houston, Texas.

20 Revised Law

21 Sec. 3802.002. WESTCHASE DISTRICT. A special district in  
22 Harris County known as the "Westchase District" is a governmental  
23 agency and political subdivision of this state. (Loc. Gov. Code,  
24 Sec. 376.041(a).)

25 Source Law

26 Sec. 376.041. CREATION OF DISTRICT. (a) A  
27 special district in Harris County to be known as the  
28 "Westchase Area Management District" exists as a  
29 governmental agency, body politic and corporate, and  
30 political subdivision of the state.

31 Revisor's Note

32 (1) Section 376.041(a), Local Government Code,  
33 creates the Westchase District as a "governmental  
34 agency, body politic and corporate, and political  
35 subdivision of the state." The revised law omits "body  
36 politic and corporate" because the meaning of those  
37 words is included in the meaning of "governmental

1 agency" or "political subdivision of this state."

2 (2) Section 376.041(b), Local Government Code,  
3 states that the board may change the name of the  
4 district by resolution. The revised law omits the  
5 section because it duplicates Section 375.096(d),  
6 Local Government Code. Section 376.047, Local  
7 Government Code (revised in this chapter as Section  
8 3802.006), provides that Chapter 375, Local Government  
9 Code, applies to the district. Therefore, it is not  
10 necessary to revise statutes that duplicate provisions  
11 in that chapter. The omitted law reads:

12 (b) The name of the district may be  
13 changed by resolution of the board.

14 Revised Law

15 Sec. 3802.003. PURPOSE; DECLARATION OF INTENT. (a) The  
16 creation of the district is essential to accomplish the purposes of  
17 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
18 Texas Constitution, and other public purposes stated in this  
19 chapter. By creating the district and in authorizing Harris  
20 County, the City of Houston, and other political subdivisions to  
21 contract with the district, the legislature has established a  
22 program to accomplish the public purposes set out in Section 52-a,  
23 Article III, Texas Constitution.

24 (b) The creation of the district is necessary to promote,  
25 develop, encourage, and maintain employment, commerce,  
26 transportation, housing, tourism, recreation, the arts,  
27 entertainment, economic development, safety, and the public  
28 welfare in the Westchase area of Harris County.

29 (c) This chapter and the creation of the district may not be  
30 interpreted to relieve Harris County or the City of Houston from  
31 providing the level of services provided as of August 28, 1995, to  
32 the area in the district or to release the county or the city from  
33 the obligations of each entity to provide services to that area.  
34 The district is created to supplement and not to supplant the county

1 or city services provided in the area in the district. (Loc. Gov.  
2 Code, Secs. 376.041(c), 376.042.)

3 Source Law

4 [Sec. 376.041]

5 (c) The creation of the district is essential to  
6 accomplish the purposes of Section 52, Article III,  
7 Section 59, Article XVI, and Section 52-a, Article  
8 III, Texas Constitution, and other public purposes  
9 stated in this subchapter.

10 Sec. 376.042. DECLARATION OF INTENT. (a) The  
11 creation of the district is necessary to promote,  
12 develop, encourage, and maintain employment,  
13 commerce, transportation, housing, tourism,  
14 recreation, arts, entertainment, economic  
15 development, safety, and the public welfare in the  
16 Westchase area of the county.

17 (b) The creation of the district and this  
18 legislation is not to be interpreted to relieve the  
19 county or the municipality from providing the level of  
20 services, as of August 28, 1995, to the area in the  
21 district or to release the county or the municipality  
22 from the obligations each entity has to provide  
23 services to that area. The district is created to  
24 supplement and not supplant the municipal or county  
25 services provided in the area in the district.

26 (c) By creating the district and in authorizing  
27 the municipality, county, and other political  
28 subdivisions to contract with the district, the  
29 legislature has established a program to accomplish  
30 the public purposes set out in Section 52-a, Article  
31 III, Texas Constitution.

32 Revised Law

33 Sec. 3802.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
34 The district is created to serve a public use and benefit.

35 (b) All land and other property included in the district  
36 will benefit from the improvements and services to be provided by  
37 the district under powers conferred by Sections 52 and 52-a,  
38 Article III, and Section 59, Article XVI, Texas Constitution, and  
39 other powers granted under this chapter.

40 (c) The creation of the district is in the public interest  
41 and is essential to:

42 (1) further the public purposes of developing and  
43 diversifying the economy of the state;

44 (2) eliminate unemployment and underemployment; and

45 (3) develop or expand transportation and commerce.

46 (d) The district will:

47 (1) promote the health, safety, and general welfare of

1 residents, employers, employees, visitors, and consumers in the  
2 district, and of the public;

3 (2) provide needed funding for the Westchase area to  
4 preserve, maintain, and enhance the economic health and vitality of  
5 the area as a community and business center; and

6 (3) promote the health, safety, welfare, and enjoyment  
7 of the public by providing pedestrian ways and by landscaping and  
8 developing certain areas in the district, which are necessary for  
9 the restoration, preservation, and enhancement of scenic and  
10 aesthetic beauty.

11 (e) Pedestrian ways along or across a street, whether at  
12 grade or above or below the surface, and street lighting, street  
13 landscaping, and street art objects are parts of and necessary  
14 components of a street and are considered to be a street or road  
15 improvement.

16 (f) The district will not act as the agent or  
17 instrumentality of any private interest even though the district  
18 will benefit many private interests as well as the public. (Loc.  
19 Gov. Code, Sec. 376.046.)

20 Source Law

21 Sec. 376.046. FINDINGS OF BENEFIT AND PUBLIC  
22 PURPOSE. (a) All the land and other property included  
23 in the district will be benefited by the improvements  
24 and services to be provided by the district under  
25 powers conferred by Section 52, Article III, Section  
26 59, Article XVI, and Section 52-a, Article III, Texas  
27 Constitution, and other powers granted under this  
28 subchapter, and the district is created to serve a  
29 public use and benefit.

30 (b) The creation of the district is in the  
31 public interest and is essential to:

32 (1) further the public purposes of the  
33 development and diversification of the economy of the  
34 state; and

35 (2) eliminate unemployment and  
36 underemployment and develop or expand transportation  
37 and commerce.

38 (c) The district will:

39 (1) promote the health, safety, and  
40 general welfare of residents, employers, employees,  
41 visitors, consumers in the district, and the general  
42 public;

43 (2) provide needed funding for the  
44 Westchase area to preserve, maintain, and enhance the  
45 economic health and vitality of the area as a community  
46 and business center; and

47 (3) further promote the health, safety,

1 welfare, and enjoyment of the public by providing  
2 pedestrian ways and by landscaping and developing  
3 certain areas in the district, which are necessary for  
4 the restoration, preservation, and enhancement of  
5 scenic and aesthetic beauty.

6 (d) Pedestrian ways along or across a street,  
7 whether at grade or above or below the surface, and  
8 street lighting, street landscaping, and street art  
9 objects are parts of and necessary components of a  
10 street and are considered to be a street or road  
11 improvement.

12 (e) The district will not act as the agent or  
13 instrumentality of any private interest even though  
14 many private interests will be benefited by the  
15 district, as will the general public.

16 Revised Law

17 Sec. 3802.005. DISTRICT TERRITORY. (a) The district is  
18 composed of the territory described by Section 23.04(b), Chapter  
19 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
20 former Section 376.044, Local Government Code, as that territory  
21 may have been modified under:

22 (1) Subchapter J, Chapter 49, Water Code; or

23 (2) other law.

24 (b) The boundaries and field notes of the district contained  
25 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
26 Regular Session, 1997, enacting former Section 376.044, Local  
27 Government Code, form a closure. A mistake in the field notes or in  
28 copying the field notes in the legislative process does not affect  
29 in any way:

30 (1) the district's organization, existence, and  
31 validity;

32 (2) the district's right to issue any type of bond,  
33 including a refunding bond, for a purpose for which the district is  
34 created or to pay the principal of and interest on the bond;

35 (3) the district's right to impose and collect an  
36 assessment or tax; or

37 (4) the legality or operation of the district or the  
38 board. (Loc. Gov. Code, Sec. 376.045; New.)

39 Source Law

40 Sec. 376.045. FINDINGS RELATING TO BOUNDARIES.  
41 The boundaries and field notes of the district form a  
42 closure. If a mistake is made in the field notes or in  
43 copying the field notes in the legislative process,

1 the mistake does not in any way affect the:  
2 (1) organization, existence, and validity  
3 of the district;  
4 (2) right of the district to issue any type  
5 of bonds or refunding bonds for the purposes for which  
6 the district is created or to pay the principal of and  
7 interest on the bonds;  
8 (3) right of the district to impose and  
9 collect assessments or taxes; or  
10 (4) legality or operation of the district  
11 or its governing body.

12 Revisor's Note

13 This revision of the law governing the Westchase  
14 District does not revise the statutory language  
15 describing the territory of the district to avoid the  
16 lengthy recitation of the description and because that  
17 description may not be accurate on the effective date  
18 of the revision or at the time of a later reading. For  
19 the reader's convenience, the revised law includes a  
20 reference to the statutory description of the  
21 district's territory and a reference to statutory  
22 authority to change the district's territory under  
23 Subchapter J, Chapter 49, Water Code. Sections  
24 375.043 and 375.044, Local Government Code, which  
25 apply to the district under Section 376.047, Local  
26 Government Code (revised as Section 3802.006 of this  
27 chapter), provide that a management district may annex  
28 or exclude territory in the manner provided by Chapter  
29 54, Water Code. Sections 54.701-54.727, Water Code,  
30 which provided for the annexation or exclusion of  
31 territory by a municipal utility district, were  
32 repealed by Section 43, Chapter 715, Acts of the 74th  
33 Legislature, Regular Session, 1995. Section 2 of that  
34 act added Chapter 49, Water Code, including Subchapter  
35 J of that chapter, which now provides for the  
36 annexation or exclusion of territory by a municipal  
37 utility district; the references in Sections 375.043  
38 and 375.044, Local Government Code, to the repealed  
39 annexation and exclusion provisions in Chapter 54 may

1 be considered to be references to the similar  
2 provisions in Chapter 49, and the revised law reflects  
3 this change. The revised law also includes a reference  
4 to the general authority of the legislature to enact  
5 other laws to change the district's territory.

6 Revised Law

7 Sec. 3802.006. APPLICABILITY OF OTHER LAW. Except as  
8 otherwise provided by this chapter, Chapter 375, Local Government  
9 Code, applies to the district. (Loc. Gov. Code, Sec. 376.047.)

10 Source Law

11 Sec. 376.047. APPLICATION OF OTHER LAW. Except  
12 as otherwise provided by this subchapter, Chapter 375  
13 applies to the district.

14 Revised Law

15 Sec. 3802.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
16 chapter shall be liberally construed in conformity with the  
17 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
18 376.048.)

19 Source Law

20 Sec. 376.048. CONSTRUCTION OF SUBCHAPTER. This  
21 subchapter shall be liberally construed in conformity  
22 with the findings and purposes stated in this  
23 subchapter.

24 [Sections 3802.008-3802.050 reserved for expansion]

25 SUBCHAPTER B. BOARD OF DIRECTORS

26 Revised Law

27 Sec. 3802.051. BOARD OF DIRECTORS; TERMS. The district is  
28 governed by a board of 17 directors who serve staggered terms of  
29 four years, with eight or nine directors' terms expiring June 1 of  
30 each odd-numbered year. (Loc. Gov. Code, Sec. 376.049(a).)

31 Source Law

32 Sec. 376.049. BOARD OF DIRECTORS IN GENERAL.  
33 (a) The district is governed by a board of 17  
34 directors who serve staggered terms of four years with  
35 eight or nine members' terms expiring June 1 of each  
36 odd-numbered year.

37 Revisor's Note

38 Section 376.049(b), Local Government Code,

1 provides that Subchapter D, Chapter 375, Local  
2 Government Code, applies to the board to the extent  
3 that Subchapter D does not conflict with Subchapter B,  
4 Chapter 376, Local Government Code (revised as this  
5 chapter). The revised law omits that provision  
6 because it duplicates Section 376.047, Local  
7 Government Code (revised in this chapter as Section  
8 3802.006), Section 376.052, Local Government Code  
9 (revised in this chapter as Section 3802.101), and  
10 Section 376.054, Local Government Code (revised in  
11 this chapter as Section 3802.102). Revised Section  
12 3802.006 provides that Chapter 375, Local Government  
13 Code, applies to the district except as otherwise  
14 provided by this chapter, and revised Section 3802.102  
15 provides that this chapter prevails over a law to which  
16 revised Section 3802.101 refers that is in conflict  
17 with or inconsistent with this chapter. Revised  
18 Section 3802.101 refers to Chapter 375, Local  
19 Government Code. The omitted law reads:

20 (b) Subchapter D, Chapter 375,  
21 applies to the board to the extent that  
22 subchapter does not conflict with this  
23 subchapter.

24 Revised Law

25 Sec. 3802.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
26 and members of the governing body of the City of Houston shall  
27 appoint directors from persons recommended by the board.

28 (b) The mayor and members of the governing body of the City  
29 of Houston shall appoint as directors for the positions indicated  
30 persons representing the following interests:

31 (1) positions 1, 11, and 12 must represent owners of  
32 multifamily rental housing with at least 200 rental units;

33 (2) position 2 must be a lessee of office space of at  
34 least 30,000 square feet of rentable area;

35 (3) positions 9 and 10 must represent owners of office

1 facilities with at least 500 employees or a taxable value in excess  
2 of \$10 million;

3 (4) positions 8, 13, and 14 must represent owners of  
4 multitenant office buildings;

5 (5) position 15 must represent owners of multitenant  
6 retail property or major retail tenants of at least 20,000 square  
7 feet;

8 (6) position 16 must represent owners of temporary  
9 lodging facilities with on-site food service;

10 (7) position 17 must represent owners of undeveloped  
11 property with a contiguous area of at least five acres; and

12 (8) positions 3, 4, 5, 6, and 7 must represent the  
13 district at large and may be filled by any person qualified to serve  
14 on the board as provided by Section 375.063, Local Government Code.  
15 (Loc. Gov. Code, Sec. 376.050 (part).)

16 Source Law

17 Sec. 376.050. APPOINTMENT OF DIRECTORS;  
18 VACANCY. The mayor and members of the governing body  
19 of the municipality shall appoint directors from  
20 persons recommended by the board. . . . The mayor and  
21 members of the governing body of the municipality  
22 shall appoint as directors for the positions indicated  
23 persons representing the following interests:

24 (1) positions 1, 11, and 12 must represent  
25 owners of multifamily rental housing with a minimum of  
26 200 rental units;

27 (2) position 2 must be a lessee of office  
28 space of at least 30,000 square feet of rentable area;

29 (3) positions 9 and 10 must represent  
30 owners of office facilities with a minimum of 500  
31 employees or taxable value in excess of \$10 million;

32 (4) positions 8, 13, and 14 must represent  
33 owners of multitenant office buildings;

34 (5) position 15 must represent owners of  
35 multitenant retail property or major retail tenants of  
36 20,000 square feet or more;

37 (6) position 16 must represent owners of  
38 temporary lodging facilities with on-site food  
39 service;

40 (7) position 17 must represent owners of  
41 undeveloped property with a contiguous area of 5 acres  
42 or more; and

43 (8) positions 3, 4, 5, 6, and 7 must  
44 represent the district at large and any person  
45 qualified to serve on the board as provided by Section  
46 375.063 may be appointed for those positions.

47 Revisor's Note

48 Section 376.050, Local Government Code, refers to

1 a vacancy in the office of director "because of the  
2 death, resignation, or removal of a director" and  
3 provides for appointing a replacement. The revised  
4 law omits that provision because it substantively  
5 duplicates Section 375.066, Local Government Code.  
6 Section 376.047, Local Government Code (revised in  
7 this chapter as Section 3802.006), provides that  
8 Chapter 375, Local Government Code, applies to the  
9 district. Therefore, it is not necessary to revise  
10 statutes that duplicate provisions in that chapter.  
11 Although Section 375.066 does not refer to "the death,  
12 resignation, or removal of a director," that language  
13 is unnecessary because the quoted language merely  
14 describes every manner in which a vacancy may occur  
15 without limiting in any way the board's duty to fill a  
16 vacancy. The omitted law reads:

17           Sec. 376.050. . . . A vacancy in the  
18 office of director because of the death,  
19 resignation, or removal of a director shall  
20 be filled by the remaining members of the  
21 board by appointing a qualified person for  
22 the unexpired term. . . .

23                           Revised Law

24           Sec. 3802.053. EX OFFICIO DIRECTORS. The board may appoint  
25 nonvoting ex officio directors to serve on the board. (Loc. Gov.  
26 Code, Sec. 376.051.)

27                           Source Law

28           Sec. 376.051. EX OFFICIO MEMBERS OF BOARD OF  
29 DIRECTORS. The board may appoint nonvoting ex officio  
30 members to serve on the board.

31           [Sections 3802.054-3802.100 reserved for expansion]

32                           SUBCHAPTER C. POWERS AND DUTIES

33                           Revised Law

34           Sec. 3802.101. DISTRICT POWERS. The district has:

35                   (1) all powers necessary to accomplish the purposes  
36 for which the district was created;

37                   (2) the rights, powers, privileges, authority, and

1 functions of a district created under Chapter 375, Local Government  
2 Code; and

3 (3) the powers given to a corporation under Section  
4 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
5 Texas Civil Statutes), and the power to own, operate, acquire,  
6 construct, lease, improve, and maintain projects described by that  
7 section. (Loc. Gov. Code, Sec. 376.052(a) (part).)

8 Source Law

9 Sec. 376.052. POWERS OF DISTRICT. (a) The  
10 district has:

11 (1) all powers necessary or required to  
12 accomplish the purposes for which the district was  
13 created;

14 (2) the rights, powers, privileges,  
15 authority, and functions of a district created under  
16 Chapter 375;

17 (3) the powers given to a corporation  
18 under Section 4B, the Development Corporation Act of  
19 1979 (Article 5190.6, Vernon's Texas Civil Statutes),  
20 and the power to own, operate, acquire, construct,  
21 lease, improve, and maintain projects described by  
22 that section;

23 . . .

24 Revisor's Note

25 Section 376.052(a)(1), Local Government Code,  
26 refers to powers "necessary or required" to accomplish  
27 the purposes of the district. The revised law omits  
28 "required" because, in this context, it is included in  
29 the meaning of "necessary."

30 Revised Law

31 Sec. 3802.102. RELATION TO OTHER LAW. This chapter  
32 prevails over a law to which Section 3802.101 or 3802.156 refers  
33 that is in conflict with or is inconsistent with this chapter.  
34 (Loc. Gov. Code, Sec. 376.054 (part).)

35 Source Law

36 Sec. 376.054. RELATION TO OTHER LAW. If any  
37 provision of a law referred to in Section 376.052 is in  
38 conflict with or is inconsistent with this subchapter,  
39 this subchapter prevails. . . .

40 Revisor's Note

41 Section 376.054, Local Government Code, provides  
42 for the adoption and incorporation by reference of

1 laws to which Subchapter B, Chapter 376, Local  
2 Government Code, refers. The revised law omits the  
3 provision as unnecessary. Because this chapter  
4 references the laws that apply to the district, it is  
5 not necessary to duplicate the substance of those laws  
6 in this section by means of adoption and  
7 incorporation. The omitted law reads:

8                   Sec. 376.054. . . . Any law referred  
9 to in this subchapter that is not in  
10 conflict or inconsistent with this  
11 subchapter is adopted and incorporated by  
12 reference.

13                                   Revised Law

14           Sec. 3802.103. CONTRACTS; GRANTS. (a) To protect the  
15 public interest, the district may contract with Harris County or  
16 the City of Houston for the county or the city to provide law  
17 enforcement services in the district for a fee.

18           (b) Harris County, the City of Houston, or another political  
19 subdivision of this state, without further authorization, may  
20 contract with the district to implement a project of the district or  
21 assist the district in providing the services authorized under this  
22 chapter. A contract under this subsection may:

- 23                   (1) be for a period on which the parties agree;
- 24                   (2) include terms on which the parties agree;
- 25                   (3) be payable from taxes or any other source of  
26 revenue that may be available for that project or service; or
- 27                   (4) provide terms under which taxes or other revenue  
28 collected at a district project or from a person using or purchasing  
29 a commodity or service at a district project may be paid or rebated  
30 to the district.

31           (c) The district may enter into a contract, lease, or other  
32 agreement with or make or accept a grant or loan to or from any  
33 person, including:

- 34                   (1) the United States;
- 35                   (2) this state or a state agency;
- 36                   (3) any political subdivision of this state; and

1 (4) a public or private corporation, including a  
2 nonprofit corporation created by the board under other law.

3 (d) The district may perform all acts necessary for the full  
4 exercise of the powers vested in the district on terms and for the  
5 period the board determines advisable. (Loc. Gov. Code, Sec.  
6 376.064.)

7 Source Law

8 Sec. 376.064. CONTRACTS. (a) To protect the  
9 public interest, the district may contract with the  
10 municipality or county for the provision of law  
11 enforcement services by the county or municipality in  
12 the district on a fee basis.

13 (b) The municipality, county, or another  
14 political subdivision of the state, without further  
15 authorization, may contract with the district to  
16 implement a project of the district or assist the  
17 district in providing the services authorized under  
18 this subchapter. A contract under this subsection  
19 may:

20 (1) be for a period on which the parties  
21 agree;

22 (2) include terms on which the parties  
23 agree;

24 (3) be payable from taxes or any other  
25 sources of revenue that may be available for such  
26 purpose; or

27 (4) provide that taxes or other revenue  
28 collected at a district project or from a person using  
29 or purchasing a commodity or service at a district  
30 project may be paid or rebated to the district under  
31 the terms of the contract.

32 (c) The district may enter into a contract,  
33 lease, or other agreement with or make or accept grants  
34 and loans to or from:

35 (1) the United States;

36 (2) the state or a state agency;

37 (3) any county, any municipality, or  
38 another political subdivision of the state;

39 (4) a public or private corporation,  
40 including a nonprofit corporation created by the board  
41 under other law; or

42 (5) any other person.

43 (d) The district may perform all acts necessary  
44 for the full exercise of the powers vested in the  
45 district on terms and for the period the board  
46 determines advisable.

47 Revisor's Note

48 Section 376.064(c)(3), Local Government Code,  
49 refers to any "county, any municipality, or another  
50 political subdivision of the state." The revised law  
51 omits the references to "county" and "municipality"  
52 because "county" and "municipality" are included in  
53 the meaning of "political subdivision."

1 Revised Law

2 Sec. 3802.104. COMPETITIVE BIDDING. The district may enter  
3 into a contract for more than \$10,000 for services, improvements,  
4 or the purchase of property, including materials, machinery,  
5 equipment, and supplies, only as provided by Subchapter K, Chapter  
6 375, Local Government Code. (Loc. Gov. Code, Sec. 376.065.)

7 Source Law

8 Sec. 376.065. COMPETITIVE BIDDING. The  
9 district may enter a contract for more than \$10,000 for  
10 services, improvements, or the purchase of property,  
11 including materials, machinery, equipment, or  
12 supplies, only as provided by Subchapter K, Chapter  
13 375.

14 Revised Law

15 Sec. 3802.105. APPROVAL OF CERTAIN IMPROVEMENT  
16 PROJECTS. The district must obtain the City of Houston's approval  
17 of the plans and specifications of any district improvement project  
18 related to the use of land owned by the City of Houston, an easement  
19 granted by the City of Houston, or a right-of-way of a street, road,  
20 or highway. (Loc. Gov. Code, Sec. 376.059.)

21 Source Law

22 Sec. 376.059. APPROVAL OF CERTAIN IMPROVEMENT  
23 PROJECTS. The district must obtain the municipality's  
24 approval of the plans and specifications of any  
25 district improvement project related to the use of  
26 land owned by the municipality, an easement granted by  
27 the municipality, or a right-of-way of a street, road,  
28 or highway.

29 Revisor's Note  
30 (End of Subchapter)

31 (1) Section 376.052(b), Local Government Code,  
32 prohibits the district from exercising the power of  
33 eminent domain. The revised law omits that provision  
34 because it duplicates Section 375.094, Local  
35 Government Code. Section 376.047, Local Government  
36 Code (revised in this chapter as Section 3802.006),  
37 provides that Chapter 375, Local Government Code,  
38 applies to the district. Therefore, it is not  
39 necessary to revise statutes that duplicate provisions  
40 in that chapter. The omitted law reads:

1 (b) The district . . . may not  
2 acquire property through eminent domain.

3 (2) Section 376.053, Local Government Code,  
4 provides that the district is solely responsible for  
5 expenses related to certain actions taken by the  
6 district and is liable for damages resulting from  
7 those actions. The revised law omits that section  
8 because it duplicates Section 375.093(c), Local  
9 Government Code. Section 376.047, Local Government  
10 Code (revised in this chapter as Section 3802.006),  
11 provides that Chapter 375, Local Government Code,  
12 applies to the district. Therefore, it is not  
13 necessary to revise statutes that duplicate provisions  
14 in that chapter. The omitted law reads:

15 Sec. 376.053. EXPENSES AND LIABILITY  
16 FOR CERTAIN ACTIONS AFFECTING PROPERTY.

17 (a) If the district, in exercising a power  
18 conferred by this subchapter, requires a  
19 relocation, adjustment, raising, lowering,  
20 rerouting, or changing of the grade or the  
21 construction of any of the following items,  
22 the district must take that required action  
23 at the sole expense of the district:

24 (1) a street, alley, highway,  
25 overpass, underpass, road, railroad track,  
26 bridge, facility, or other property;

27 (2) an electric line, conduit,  
28 facility, or other property;

29 (3) a telephone or telegraph  
30 line, conduit, facility, or other property;

31 (4) a gas transmission or  
32 distribution pipe, pipeline, main,  
33 facility, or other property;

34 (5) a water, sanitary sewer, or  
35 storm sewer pipe, pipeline, main, facility,  
36 or other property;

37 (6) a cable television line,  
38 cable, conduit, facility, or other  
39 property; or

40 (7) another pipeline, facility,  
41 or other property relating to the pipeline.

42 (b) The district shall bear damages  
43 that are suffered by owners of the facility  
44 or other property.

45 [Sections 3802.106-3802.150 reserved for expansion]

46 SUBCHAPTER D. FINANCIAL PROVISIONS

47 Revised Law

48 Sec. 3802.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
49 IMPROVEMENTS. The board may not finance a service or an

1 improvement project under this chapter unless a written petition  
2 requesting that service or improvement has been filed with the  
3 board. The petition must be signed by:

4 (1) the owners of a majority of the assessed value of  
5 real property in the district according to the most recent  
6 certified tax appraisal roll for Harris County; or

7 (2) at least 50 owners of property in the district, if  
8 more than 50 persons own property in the district according to the  
9 most recent certified tax appraisal roll for Harris County. (Loc.  
10 Gov. Code, Sec. 376.055.)

11 Source Law

12 Sec. 376.055. REQUIREMENTS FOR FINANCING  
13 SERVICES AND IMPROVEMENTS. The board may not finance  
14 services and improvement projects under this  
15 subchapter unless a written petition requesting those  
16 improvements or services has been filed with the  
17 board. The petition must be signed by:

18 (1) the owners of a majority of the  
19 assessed value of real property in the district as  
20 determined by the most recent certified county  
21 property tax rolls; or

22 (2) at least 50 persons who own property in  
23 the district, if there are more than 50 persons who own  
24 property in the district as determined by the most  
25 recent certified county property tax rolls.

26 Revisor's Note

27 Section 376.055, Local Government Code, refers to  
28 "the most recent certified [Harris] county property  
29 tax rolls." The revised law substitutes a reference to  
30 "the most recent certified tax appraisal roll for  
31 Harris County" to conform to the terminology of Title  
32 1, Tax Code, including Section 26.01 of that code,  
33 requiring the chief appraiser of an appraisal district  
34 to certify to the tax assessor of each taxing unit that  
35 has property in the appraisal district an appraisal  
36 roll that lists the properties taxable by that taxing  
37 unit and the value of those properties.

38 Revised Law

39 Sec. 3802.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
40 board by resolution shall establish the number of directors'

1 signatures and the procedure required for a disbursement or  
2 transfer of the district's money. (Loc. Gov. Code, Sec. 376.056.)

3 Source Law

4 Sec. 376.056. DISBURSEMENTS OR TRANSFERS OF  
5 FUNDS. The board by resolution shall establish the  
6 number of directors' signatures and the procedure  
7 required for a disbursement or transfer of the  
8 district's money.

9 Revised Law

10 Sec. 3802.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
11 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
12 tax, assessment, or impact fee as provided by Chapter 375, Local  
13 Government Code, to provide an improvement or service for a project  
14 or activity the district may acquire, construct, improve, or  
15 provide under this chapter. (Loc. Gov. Code, Sec. 376.052(a)  
16 (part).)

17 Source Law

18 (a) The district has:

19 . . .  
20 (4) the power to impose ad valorem taxes,  
21 assessments, or impact fees in accordance with Chapter  
22 375 to provide improvements and services for a project  
23 or activity the district is authorized to acquire,  
24 construct, improve, or provide under this subchapter;  
25 . . .

26 Revised Law

27 Sec. 3802.154. MAINTENANCE TAX. (a) If authorized at an  
28 election held in accordance with Section 3802.159, the district may  
29 impose an annual ad valorem tax on taxable property in the district  
30 to:

31 (1) maintain and operate the district and the  
32 improvements constructed or acquired by the district; or

33 (2) provide services to industrial or commercial  
34 businesses, residents, or property owners.

35 (b) The board shall determine the tax rate. (Loc. Gov.  
36 Code, Sec. 376.062.)

37 Source Law

38 Sec. 376.062. MAINTENANCE TAX. (a) If  
39 authorized at an election held in accordance with  
40 Section 376.060, the district may impose and collect  
41 an annual ad valorem tax on taxable property in the

1 district for the maintenance and operation of the  
2 district and the improvements constructed or acquired  
3 by the district or for the provision of services to  
4 industrial or commercial businesses, residents, or  
5 property owners.

6 (b) The board shall determine the tax rate.

7 Revisor's Note

8 Section 376.062(a), Local Government Code,  
9 states that the district may "impose and collect" an ad  
10 valorem tax. The revised law omits "and collect"  
11 because "impose" is the term generally used in Title 1,  
12 Tax Code, and includes the collection of an ad valorem  
13 tax.

14 Revised Law

15 Sec. 3802.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
16 The board by resolution may impose and collect an assessment for any  
17 purpose authorized by this chapter.

18 (b) An assessment, a reassessment, or an assessment  
19 resulting from an addition to or correction of the assessment roll  
20 by the district, penalties and interest on an assessment or  
21 reassessment, an expense of collection, and reasonable attorney's  
22 fees incurred by the district:

23 (1) are a first and prior lien against the property  
24 assessed;

25 (2) are superior to any other lien or claim other than  
26 a lien or claim for county, school district, or municipal ad valorem  
27 taxes; and

28 (3) are the personal liability of and a charge against  
29 the owners of the property even if the owners are not named in the  
30 assessment proceeding.

31 (c) The lien is effective from the date of the board's  
32 resolution imposing the assessment until the date the assessment is  
33 paid. The board may enforce the lien in the same manner that the  
34 board may enforce an ad valorem tax lien against real property.

35 (d) The board may correct, add to, or delete assessments  
36 from its assessment rolls after notice and hearing as provided by  
37 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,

1 Secs. 376.052(a) (part), 376.058(a), (b), (c).)

2 Source Law

3 [Sec. 376.052]

4 (a) The district has:

- 5 . . .
- 6 (5) the power to correct, add to, or delete
- 7 assessments from its assessment rolls after notice and
- 8 hearing as provided by Subchapter F, Chapter 375; and
- 9 . . .

10 Sec. 376.058. ASSESSMENTS. (a) The board may  
11 impose and collect an assessment for any purpose  
12 authorized by this subchapter.

13 (b) Assessments, reassessments, or assessments  
14 resulting from an addition to or correction of the  
15 assessment roll by the district, penalties and  
16 interest on an assessment or reassessment, expenses of  
17 collection, and reasonable attorney's fees incurred by  
18 the district:

19 (1) are a first and prior lien against the  
20 property assessed;

21 (2) are superior to any other lien or claim  
22 other than a lien or claim for county, school district,  
23 or municipal ad valorem taxes; and

24 (3) are the personal liability of and  
25 charge against the owners of the property even if the  
26 owners are not named in the assessment proceedings.

27 (c) The lien is effective from the date of the  
28 resolution of the board levying the assessment until  
29 the assessment is paid. The board may enforce the lien  
30 in the same manner that the board may enforce an ad  
31 valorem tax lien against real property.

32 Revised Law

33 Sec. 3802.156. TAX AND ASSESSMENT ABATEMENTS. Without  
34 additional procedures, the district may grant, consistent with  
35 Chapter 312, Tax Code, an abatement for a tax or assessment owed to  
36 the district. (Loc. Gov. Code, Sec. 376.052(a) (part).)

37 Source Law

38 (a) The district has:

- 39 . . .
- 40 (6) the power to grant, without additional
- 41 procedures, abatements for taxes or assessments owed
- 42 to the district under Chapter 312, Tax Code.

43 Revised Law

44 Sec. 3802.157. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT  
45 FEES. The district may not impose an assessment or impact fee on  
46 the property, equipment, or facilities of:

47 (1) an electric utility, as defined by Section 31.002,  
48 Utilities Code; or

49 (2) a public utility, as defined by Section 51.002,

1 Utilities Code. (Loc. Gov. Code, Secs. 376.058(d), 376.061(b).)

2 Source Law

3 [Sec. 376.058]

4 (d) The district may not impose an assessment on  
5 the property, equipment, or facilities of a public  
6 utility, as defined by Section 2.0011 or 3.002, Public  
7 Utility Regulatory Act of 1995 (Article 1446c-0,  
8 Vernon's Texas Civil Statutes).

9 [Sec. 376.061]

10 (b) The district may not impose an impact fee on  
11 the property, equipment, or facilities of a public  
12 utility, as defined by Section 2.0011 or 3.002, Public  
13 Utility Regulatory Act of 1995 (Article 1446c-0,  
14 Vernon's Texas Civil Statutes).

15 Revisor's Note

16 (1) Sections 376.058(d) and 376.061(b), Local  
17 Government Code, refer to definitions contained in  
18 Section 2.0011 or 3.002, Public Utility Regulatory Act  
19 of 1995 (Article 1446c-0, Vernon's Texas Civil  
20 Statutes). Sections 2.0011 and 3.002 were  
21 respectively codified as Sections 31.002 and 51.002,  
22 Utilities Code, by Chapter 166, Acts of the 75th  
23 Legislature, Regular Session, 1997. Accordingly, the  
24 references to Sections 2.0011 and 3.002, Public  
25 Utility Regulatory Act of 1995, are changed to  
26 Sections 31.002 and 51.002, Utilities Code.

27 (2) Sections 376.058(d) and 376.061(b), Local  
28 Government Code, refer to a "public utility" as  
29 defined by Section 2.0011, Public Utility Regulatory  
30 Act of 1995 (Article 1446c-0, Vernon's Texas Civil  
31 Statutes). As explained in Revisor's Note (1) above,  
32 Section 2.0011 was codified as Section 31.002,  
33 Utilities Code. The revised law substitutes "electric  
34 utility" for "public utility" as appropriate because  
35 that is the term now used in Chapter 31, Utilities  
36 Code.

37 (3) Section 376.061(a), Local Government Code,  
38 grants the district the power to impose impact fees as  
39 provided by Subchapter G, Chapter 375, Local

1 Government Code. The revised law omits Section  
2 376.061(a) as unnecessary. Section 376.047, Local  
3 Government Code (revised in this chapter as Section  
4 3802.006), provides that Chapter 375, Local Government  
5 Code, applies to the district. Therefore, it is not  
6 necessary to revise statutes that merely grant the  
7 district powers under that chapter. The omitted law  
8 reads:

9                   Sec. 376.061. IMPACT FEES. (a) The  
10                   district may impose an impact fee for an  
11                   authorized purpose as provided by  
12                   Subchapter G, Chapter 375.

13                                   Revised Law

14                   Sec. 3802.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON.

15                   (a) The district may issue bonds or other obligations payable in  
16                   whole or in part from ad valorem taxes, assessments, impact fees,  
17                   revenue, grants, or other money of the district, or any combination  
18                   of those sources of money, to pay for any authorized purpose of the  
19                   district.

20                   (b) In exercising the district's borrowing power, the  
21                   district may issue a bond or other obligation in the form of a bond,  
22                   note, certificate of participation or other instrument evidencing a  
23                   proportionate interest in payments to be made by the district, or  
24                   other type of obligation.

25                   (c) Except as provided by Subsection (d), the district must  
26                   obtain the approval of the City of Houston:

27                                   (1) for the issuance of a bond for each improvement  
28                   project; and

29                                   (2) of the plans and specifications of the improvement  
30                   project to be financed by the bond.

31                   (d) If the district obtains the approval of the City of  
32                   Houston of a capital improvements budget for a specified period not  
33                   to exceed five years, the district may finance the capital  
34                   improvements and issue bonds specified in the budget without  
35                   further approval from the City of Houston. (Loc. Gov. Code, Secs.

1 376.057(a), (b), (c), (d).)

2 Source Law

3 Sec. 376.057. BONDS. (a) The district may  
4 issue bonds or other obligations payable in whole or in  
5 part from ad valorem taxes, assessments, impact fees,  
6 revenues, grants, or other money of the district, or  
7 any combination of those sources of money, to pay for  
8 any authorized purpose of the district.

9 (b) Bonds or other obligations of the district  
10 may be issued in the form of bonds, notes, certificates  
11 of participation, including other instruments  
12 evidencing a proportionate interest in payments to be  
13 made by the district, or other obligations that are  
14 issued in the exercise of the district's borrowing  
15 power and may be issued in bearer or registered form or  
16 may be issued in a form not represented by an  
17 instrument but with their transfer registered on books  
18 maintained by or on behalf of the district.

19 (c) Except as provided by Subsection (d), the  
20 district must obtain the municipality's approval of:

21 (1) the issuance of bonds for an  
22 improvement project; and

23 (2) the plans and specifications of the  
24 improvement project to be financed by the bonds.

25 (d) If the district obtains the municipality's  
26 approval of a capital improvements budget for a  
27 specified period not to exceed five years, the  
28 district may finance the capital improvements and  
29 issue bonds specified in the budget without further  
30 municipal approval.

31 Revisor's Note

32 (1) Section 376.057(b), Local Government Code,  
33 states that obligations "may be issued in bearer or  
34 registered form or may be issued in a form not  
35 represented by an instrument but with their transfer  
36 registered on books maintained by or on behalf of the  
37 district." The revised law omits the quoted language  
38 as unnecessary because it substantively duplicates  
39 Sections 1201.022(a)(2) and 1201.023, Government  
40 Code. Section 1201.022(a)(2) permits bearer or  
41 registered form. Section 1201.023 permits  
42 uncertificated book entry. Those sections apply to  
43 obligations issued under Section 376.057, Local  
44 Government Code, by application of Section 1201.002,  
45 Government Code.

46 (2) Section 376.057(e), Local Government Code,  
47 provides that before issuing bonds the district must

1 submit the bonds and the record of the district's bond  
2 proceedings to the attorney general for approval. The  
3 revised law omits Section 376.057(e) as unnecessary  
4 because it substantively duplicates Section 1202.003,  
5 Government Code. That section applies to bonds issued  
6 under Section 376.057, Local Government Code, by  
7 application of Section 1202.001, Government Code. The  
8 omitted law reads:

9 (e) Before the district issues bonds,  
10 the district shall submit the bonds and the  
11 record of proceedings of the district  
12 relating to authorization of the bonds to  
13 the attorney general for approval as  
14 provided by Chapter 1202, Government Code.

15 Revised Law

16 Sec. 3802.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
17 addition to the elections required under Subchapter L, Chapter 375,  
18 Local Government Code, the district must hold an election in the  
19 manner provided by that subchapter to obtain voter approval before  
20 the district may:

21 (1) impose a maintenance tax; or

22 (2) issue a bond payable from ad valorem taxes or  
23 assessments.

24 (b) The board may submit multiple purposes in a single  
25 proposition at an election.

26 (c) The board may not call an election under this chapter  
27 unless a written petition requesting an election has been filed  
28 with the board. The petition must be signed by:

29 (1) the owners of a majority of the assessed value of  
30 real property in the district according to the most recent  
31 certified tax appraisal roll for Harris County; or

32 (2) at least 50 persons who own property in the  
33 district, if there are more than 50 persons who own property in the  
34 district according to the most recent certified tax appraisal roll  
35 for Harris County. (Loc. Gov. Code, Sec. 376.060.)

1 Source Law

2 Sec. 376.060. ELECTIONS. (a) In addition to  
3 the elections the district must hold under Subchapter  
4 L, Chapter 375, the district shall hold an election in  
5 the manner provided by that subchapter to obtain voter  
6 approval before the district imposes a maintenance tax  
7 or issues bonds payable from ad valorem taxes or  
8 assessments.

9 (b) The board may submit multiple purposes in a  
10 single proposition at an election.

11 (c) The board may not call an election under  
12 this subchapter unless a written petition requesting  
13 an election has been filed with the board. The  
14 petition must be signed by:

15 (1) the owners of a majority of the  
16 assessed value of real property in the district as  
17 determined by the most recent certified county  
18 property tax rolls; or

19 (2) at least 50 persons who own property in  
20 the district, if there are more than 50 persons who own  
21 property in the district as determined by the most  
22 recent certified county property tax rolls.

23 Revisor's Note

24 Section 376.060(c), Local Government Code,  
25 refers to "the most recent certified [Harris] county  
26 property tax rolls." The revised law substitutes a  
27 reference to "the most recent certified tax appraisal  
28 roll for Harris County" for the reason stated in the  
29 revisor's note to Section 3802.151.

30 Revised Law

31 Sec. 3802.160. SALES AND USE TAX PROHIBITED. The district  
32 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
33 376.052(b) (part).)

34 Source Law

35 (b) The district may not impose a sales and use  
36 tax and . . . .

37 [Sections 3802.161-3802.200 reserved for expansion]

38 SUBCHAPTER E. DISSOLUTION

39 Revised Law

40 Sec. 3802.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
41 DEBT. Despite this section and Section 375.264, Local Government  
42 Code, the district may be dissolved as provided by Subchapter M,  
43 Chapter 375, Local Government Code, if the district has debt. If  
44 the district has debt when it is dissolved, the district shall  
45 remain in existence solely for the purpose of discharging its bonds

1 or other obligations according to their terms. (Loc. Gov. Code,  
2 Sec. 376.063.)

3 Source Law

4 Sec. 376.063. DISSOLUTION OF DISTRICT. (a) The  
5 district may be dissolved as provided by Subchapter M,  
6 Chapter 375.

7 (b) Notwithstanding Section 375.264, a district  
8 that has debt may be dissolved as provided by  
9 Subchapter M, Chapter 375. If the district has debt  
10 and is dissolved, the district shall remain in  
11 existence solely for the limited purpose of  
12 discharging its bonds or other obligations according  
13 to their terms.

14 CHAPTER 3803. GREATER GREENSPOINT MANAGEMENT DISTRICT OF HARRIS  
15 COUNTY

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15 CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT OF HARRIS  
16 COUNTY

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Revised Law

19 Sec. 3803.001. DEFINITIONS. In this chapter:

20 (1) "Board" means the board of directors of the  
21 district.

22 (2) "District" means the Greater Greenspoint  
23 Management District of Harris County. (Loc. Gov. Code, Secs.  
24 376.083(1), (3).)

25 Source Law

26 Sec. 376.083. DEFINITIONS. In this subchapter:

27 (1) "Board" means the board of directors  
28 of the district.

29 (3) "District" means the Greater  
30 Greenspoint Management District of Harris County.

31 Revisor's Note

32 Sections 376.083(2) and (4), Local Government  
33 Code, respectively define "county" as Harris County  
34 and "municipality" as the City of Houston. The revised  
35 law omits the definitions for ease of understanding.

1 Throughout this chapter, the revised law instead  
2 refers to Harris County and the City of Houston, unless  
3 the context clearly shows that the term "county" or  
4 "municipality" refers generally to any county or  
5 municipality. The omitted law reads:

6 (2) "County" means Harris  
7 County, Texas.

8 (4) "Municipality" means the  
9 City of Houston, Texas.

10 Revised Law

11 Sec. 3803.002. GREATER GREENSPPOINT MANAGEMENT DISTRICT OF  
12 HARRIS COUNTY. A special district known as the "Greater  
13 Greenspoint Management District of Harris County" is a governmental  
14 agency and political subdivision of this state. (Loc. Gov. Code,  
15 Sec. 376.081(a).)

16 Source Law

17 Sec. 376.081. CREATION OF DISTRICT. (a) A  
18 special district to be known as the "Greater  
19 Greenspoint Management District of Harris County"  
20 exists as a governmental agency, a body politic and  
21 corporate, and a political subdivision of the state.

22 Revisor's Note

23 (1) Section 376.081(a), Local Government Code,  
24 provides that the Greater Greenspoint Management  
25 District of Harris County is a "governmental agency, a  
26 body politic and corporate, and a political  
27 subdivision of the state." The revised law omits "body  
28 politic and corporate" because the meaning of those  
29 words is included in the meaning of "governmental  
30 agency and political subdivision of this state."

31 (2) Section 376.081(b), Local Government Code,  
32 grants the board the power to change the name of the  
33 district by resolution. The revised law omits the  
34 section because it duplicates a power granted by  
35 Section 375.096(d), Local Government Code. Section  
36 376.090(a), Local Government Code (revised in this  
37 chapter as Section 3803.101), provides that the

1 district has the powers of a district created under  
2 Chapter 375, Local Government Code. Therefore, it is  
3 not necessary to revise statutes that merely grant the  
4 district powers under that chapter. The omitted law  
5 reads:

6 (b) The name of the district may be  
7 changed by resolution of the board.

8 Revised Law

9 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
10 creation of the district is essential to accomplish the purposes of  
11 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
12 Texas Constitution, and to other public purposes stated in this  
13 chapter. By creating the district and in authorizing Harris  
14 County, the City of Houston, and other political subdivisions to  
15 contract with the district, the legislature has established a  
16 program to accomplish the public purposes set out in Section 52-a,  
17 Article III, Texas Constitution.

18 (b) The creation of the district is necessary to promote,  
19 develop, encourage, and maintain employment, commerce, economic  
20 development, the public welfare, transportation, housing, tourism,  
21 convention and convocation activities, recreation, the arts,  
22 entertainment, and safety in the greater Greenspoint area of Harris  
23 County.

24 (c) This chapter and the creation of the district may not be  
25 interpreted to relieve Harris County or the City of Houston from  
26 providing the level of services provided as of August 26, 1991, to  
27 the area in the district or to release the county or the city from  
28 the obligations of each entity to provide services to that area. The  
29 district is created to supplement and not to supplant the county or  
30 city services in the area in the district. (Loc. Gov. Code, Secs.  
31 376.081(c), 376.082.)

32 Source Law

33 [Sec. 376.081]

34 (c) The creation of the district is essential to  
35 accomplish the purposes of Section 52, Article III,  
36 Section 59, Article XVI, and Section 52-a, Article

1 III, Texas Constitution, and to other public purposes  
2 stated in this subchapter.

3 Sec. 376.082. DECLARATION OF INTENT. (a) The  
4 creation of the district is necessary to promote,  
5 develop, encourage, and maintain employment,  
6 commerce, economic development, the public welfare,  
7 transportation, housing, tourism, convention and  
8 convocation activities, recreation, arts,  
9 entertainment, and safety in the greater Greenspoint  
10 area of the county.

11 (b) The creation of the district and this  
12 legislation is not to be interpreted to relieve the  
13 county or the municipality from providing the level of  
14 services, as of August 26, 1991, to the area in the  
15 district or to release the county or the municipality  
16 from the obligations each entity has to provide  
17 services to that area. The district is created to  
18 supplement and not supplant the municipal or county  
19 services in the area in the district.

20 (c) By creating the district and in authorizing  
21 the municipality, county, and other political  
22 subdivisions to contract with the district, the  
23 legislature has established a program to accomplish  
24 the public purposes set out in Section 52-a, Article  
25 III, Texas Constitution.

26 Revised Law

27 Sec. 3803.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
28 The district is created to serve a public use and benefit.

29 (b) All land and other property included in the district  
30 will benefit from the improvements and services to be provided by  
31 the district under powers conferred by Sections 52 and 52-a,  
32 Article III, and Section 59, Article XVI, Texas Constitution, and  
33 other powers granted under this chapter.

34 (c) The creation of the district is in the public interest  
35 and is essential to:

36 (1) further the public purposes of developing and  
37 diversifying the economy of the state;

38 (2) eliminate unemployment and underemployment; and

39 (3) develop or expand transportation and commerce.

40 (d) The district will:

41 (1) promote the health, safety, and general welfare of  
42 residents, employers, employees, and consumers in the district, and  
43 of the public;

44 (2) provide needed funding for the greater Greenspoint  
45 area to preserve, maintain, and enhance the economic health and  
46 vitality of the area as a community and business center; and

1 (3) promote the health, safety, welfare, and enjoyment  
2 of the public by providing pedestrian ways and by landscaping and  
3 developing certain areas in the district, which are necessary for  
4 the restoration, preservation, and enhancement of scenic and  
5 aesthetic beauty.

6 (e) Pedestrian ways along or across a street, whether at  
7 grade or above or below the surface, and street lighting, street  
8 landscaping, and street art objects are parts of and necessary  
9 components of a street and are considered to be a street or road  
10 improvement.

11 (f) The district will not act as the agent or  
12 instrumentality of any private interest even though the district  
13 will benefit many private interests as well as the public. (Loc.  
14 Gov. Code, Sec. 376.086.)

15 Source Law

16 Sec. 376.086. FINDINGS OF BENEFIT AND PUBLIC  
17 PURPOSE. (a) All the land and other property included  
18 within the boundaries of the district will be  
19 benefited by the improvements and services to be  
20 provided by the district under powers conferred by  
21 Section 52, Article III, Section 59, Article XVI, and  
22 Section 52-a, Article III, Texas Constitution, and  
23 other powers granted under this subchapter, and the  
24 district is created to serve a public use and benefit.

25 (b) The creation of the district is in the  
26 public interest and is essential to:

27 (1) further the public purposes of the  
28 development and diversification of the economy of the  
29 state; and

30 (2) eliminate unemployment and  
31 underemployment and develop or expand transportation  
32 and commerce.

33 (c) The district will:

34 (1) promote the health, safety, and  
35 general welfare of residents, employers, employees,  
36 and consumers in the district, and the general public;

37 (2) provide needed funding for the greater  
38 Greenspoint area to preserve, maintain, and enhance  
39 the economic health and vitality of the area as a  
40 community and business center; and

41 (3) further promote the health, safety,  
42 welfare, and enjoyment of the public by providing  
43 pedestrian ways and by landscaping and developing  
44 certain areas in the district, which are necessary for  
45 the restoration, preservation, and enhancement of  
46 scenic and aesthetic beauty.

47 (d) Pedestrian ways along or across a street,  
48 whether at grade or above or below the surface, and  
49 street lighting, street landscaping, and street art  
50 objects are parts of and necessary components of a  
51 street and are considered to be a street or road  
52 improvement.

1 (e) The district will not act as the agent or  
2 instrumentality of any private interest even though  
3 many private interests will be benefited by the  
4 district, as will the general public.

5 Revised Law

6 Sec. 3803.005. DISTRICT TERRITORY. (a) The district is  
7 composed of the territory described by Section 23.04(b), Chapter  
8 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
9 former Section 376.084, Local Government Code, as that territory  
10 may have been modified under:

11 (1) Subchapter J, Chapter 49, Water Code; or

12 (2) other law.

13 (b) The boundaries and field notes of the district contained  
14 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
15 Regular Session, 1997, enacting former Section 376.084, Local  
16 Government Code, form a closure. A mistake in the field notes or in  
17 copying the field notes in the legislative process does not in any  
18 way affect:

19 (1) the district's organization, existence, and  
20 validity;

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

24 (3) the district's right to impose and collect an  
25 assessment or tax; or

26 (4) the legality or operation of the district or the  
27 board. (Loc. Gov. Code, Sec. 376.085; New.)

28 Source Law

29 Sec. 376.085. FINDINGS RELATING TO BOUNDARIES.  
30 The boundaries and field notes of the district form a  
31 closure. If a mistake is made in the field notes or in  
32 copying the field notes in the legislative process,  
33 the mistake does not in any way affect the:

34 (1) organization, existence, and validity  
35 of the district;

36 (2) right of the district to issue any type  
37 of bonds or refunding bonds for the purposes for which  
38 the district is created or to pay the principal of and  
39 interest on the bonds;

40 (3) right of the district to impose and  
41 collect assessments or taxes; or

42 (4) legality or operation of the district  
43 or its governing body.

1 Revisor's Note

2 The revision of the law governing the Greater  
3 Greenspoint Management District of Harris County does  
4 not revise the statutory language describing the  
5 territory of the district to avoid the lengthy  
6 recitation of the description and because that  
7 description may not be accurate on the effective date  
8 of the revision or at the time of a later reading. For  
9 the reader's convenience, the revised law includes a  
10 reference to the statutory description of the  
11 district's territory and a reference to statutory  
12 authority to change the district's territory under  
13 Subchapter J, Chapter 49, Water Code. Section  
14 376.090(a), Local Government Code (revised in this  
15 chapter as Section 3803.101), provides that the  
16 district has the powers of a district created under  
17 Chapter 375, Local Government Code. Sections 375.043  
18 and 375.044, Local Government Code, grant a district  
19 the power to annex or exclude territory in the manner  
20 provided by Chapter 54, Water Code. Sections 54.701  
21 through 54.727, Water Code, which provided for the  
22 annexation or exclusion of territory by a municipal  
23 utility district, were repealed by Section 43, Chapter  
24 715, Acts of the 74th Legislature, Regular Session,  
25 1995. Section 2 of that act added Chapter 49, Water  
26 Code, including Subchapter J of that chapter, which  
27 now provides for the annexation or exclusion of  
28 territory by a municipal utility district; the  
29 references in Sections 375.043 and 375.044, Local  
30 Government Code, to the repealed annexation and  
31 exclusion provisions in Chapter 54, Water Code, may be  
32 considered to be references to the similar provisions  
33 in Chapter 49, Water Code, and the revised law reflects  
34 this change. The revised law also includes a reference

1 to the general authority of the legislature to enact  
2 other laws to change the district's territory.

3 Revised Law

4 Sec. 3803.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
5 ZONES. (a) All or any part of the area of the district is  
6 eligible, regardless of other statutory criteria, to be included  
7 in:

8 (1) a tax increment reinvestment zone created by the  
9 City of Houston under Chapter 311, Tax Code; or

10 (2) a tax abatement reinvestment zone created by the  
11 City of Houston under Chapter 312, Tax Code.

12 (b) All or any part of the area of the district is eligible  
13 to be nominated for inclusion in an enterprise zone by the City of  
14 Houston under Chapter 2303, Government Code. (Loc. Gov. Code, Sec.  
15 376.102.)

16 Source Law

17 Sec. 376.102. ELIGIBILITY FOR INCLUSION IN  
18 SPECIAL ZONES. All or any part of the area of the  
19 district is eligible, notwithstanding other statutory  
20 criteria, to be included in a tax increment  
21 reinvestment zone created by the municipality under  
22 Chapter 311, Tax Code, or included in a tax abatement  
23 reinvestment zone created by the municipality under  
24 Chapter 312, Tax Code. All or any part of the area of  
25 the district is also eligible to be included in an  
26 enterprise zone by the municipality under Chapter  
27 2303, Government Code.

28 Revisor's Note

29 Section 376.102, Local Government Code, provides  
30 that any part of the area of the Greater Greenspoint  
31 Management District of Harris County is "eligible to  
32 be included in an enterprise zone by the municipality  
33 [meaning the City of Houston] under Chapter 2303,  
34 Government Code." Under that chapter, a municipality  
35 or county may nominate as an enterprise zone an area  
36 within its jurisdiction that meets the criteria  
37 prescribed by that chapter. The revised law is drafted  
38 accordingly.

1 Revised Law

2 Sec. 3803.007. FORECLOSURE OF PREEXISTING TAX LIEN ON  
3 PROPERTY OWNED BY DISTRICT PROHIBITED. Regardless of the manner in  
4 which or the price for which the district obtains title to real  
5 property, a political subdivision or taxing authority may not  
6 foreclose a tax lien or otherwise pursue unpaid taxes on the  
7 property against the district or any successor in title to the  
8 district that is a political subdivision of this state if the lien  
9 or taxes accrued before the district's ownership of the property.  
10 (Loc. Gov. Code, Sec. 376.103.)

11 Source Law

12 Sec. 376.103. OWNERSHIP OF PROPERTY BY THE  
13 DISTRICT. After title to real property is acquired by  
14 the district, an independent school district,  
15 community college district, county, municipality,  
16 hospital district, or other political subdivision or  
17 taxing authority may not foreclose its tax lien or  
18 otherwise pursue unpaid taxes on the property that  
19 accrued before the district's ownership of the  
20 property, against the district or any successor in  
21 title to the district that is a political subdivision  
22 of this state, regardless of the manner in which or the  
23 price for which the district obtained title to the  
24 property.

25 Revisor's Note

26 Section 376.103, Local Government Code, provides  
27 that "an independent school district, community  
28 college district, county, municipality, hospital  
29 district, or other political subdivision or taxing  
30 authority" may not pursue certain unpaid taxes on real  
31 property owned by the Greater Greenspoint Management  
32 District of Harris County. The revised law omits the  
33 references to "independent school district,"  
34 "community college district," "county,"  
35 "municipality," and "hospital district" because each  
36 of those entities is included in the meaning of  
37 "political subdivision or taxing authority."

38 Revised Law

39 Sec. 3803.008. RELATION TO OTHER LAW. This chapter  
40 prevails over a law to which this chapter refers that is in conflict

1 with or is inconsistent with this chapter. (Loc. Gov. Code, Sec.  
2 376.091 (part).)

3 Source Law

4 Sec. 376.091. RELATION TO OTHER LAW. If any  
5 provision of a law referenced in this subchapter is in  
6 conflict with or inconsistent with this subchapter,  
7 this subchapter prevails. . . .

8 Revisor's Note

9 Section 376.091, Local Government Code, states  
10 that "[a]ny law referenced in this subchapter that is  
11 not in conflict with or inconsistent with this  
12 subchapter is adopted and incorporated by reference  
13 and may be used by the district independently of each  
14 other." The revised law omits the quoted language as  
15 unnecessary. Because this chapter references the laws  
16 that apply to the district, it is not necessary to  
17 duplicate the substance of those laws in this section  
18 by means of adoption and incorporation. It is not  
19 necessary to state that those laws "may be  
20 used . . . independently of each other" because a  
21 statement that two or more other laws apply to this  
22 chapter does not suggest that the district must use  
23 those laws together. The omitted law reads:

24 Sec. 376.091. . . . Any law  
25 referenced in this subchapter that is not in  
26 conflict with or inconsistent with this  
27 subchapter is adopted and incorporated by  
28 reference and may be used by the district  
29 independently of each other.

30 Revised Law

31 Sec. 3803.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
32 chapter shall be liberally construed in conformity with the  
33 legislative findings and purposes stated in this chapter. (Loc.  
34 Gov. Code, Sec. 376.087.)

35 Source Law

36 Sec. 376.087. CONSTRUCTION OF SUBCHAPTER. This  
37 subchapter shall be liberally construed in conformity  
38 with the legislative findings and purposes stated in  
39 this subchapter.

1 [Sections 3803.010-3803.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Revised Law

4 Sec. 3803.051. BOARD OF DIRECTORS; TERMS. The district is  
5 governed by a board of 22 directors who serve staggered terms of  
6 four years, with 11 directors' terms expiring June 1 of each  
7 odd-numbered year. (Loc. Gov. Code, Sec. 376.088.)

8 Source Law

9 Sec. 376.088. BOARD OF DIRECTORS IN GENERAL.  
10 The district is governed by a board of 22 directors who  
11 serve staggered terms of four years with 11 members'  
12 terms expiring June 1 of each odd-numbered year.

13 Revised Law

14 Sec. 3803.052. APPOINTMENT OF DIRECTORS. Subchapter D,  
15 Chapter 375, Local Government Code, governs the appointment and  
16 qualification of directors. (Loc. Gov. Code, Sec. 376.089(b).)

17 Source Law

18 (b) Directors shall be appointed and qualify as  
19 provided by Subchapter D, Chapter 375.

20 Revisor's Note

21 Section 376.089(a), Local Government Code,  
22 refers to a vacancy in the office of director "because  
23 of the death, resignation, or removal of a director"  
24 and provides for appointing a replacement. The  
25 revised law omits this provision because it  
26 substantively duplicates Section 375.066, Local  
27 Government Code. Section 376.089(b), Local Government  
28 Code (revised in this chapter as Section 3803.052),  
29 provides that Subchapter D, Chapter 375, Local  
30 Government Code, governs the appointment of district  
31 directors. Therefore, it is not necessary to revise a  
32 statute that duplicates a provision in that subchapter  
33 regarding the appointment of directors. Although  
34 Section 375.066 does not refer to "the death,  
35 resignation, or removal of a director," that language  
36 is unnecessary because the quoted language merely

1 describes every manner in which a vacancy may occur  
2 without limiting in any way the board's duty to fill a  
3 vacancy. The omitted law reads:

4           Sec. 376.089.           APPOINTMENT           OF  
5           DIRECTORS; VACANCY. (a) A vacancy in the  
6           office of director because of the death,  
7           resignation, or removal of a director shall  
8           be filled by the remaining members of the  
9           board by appointing a qualified person for  
10          the unexpired term.

11           [Sections 3803.053-3803.100 reserved for expansion]

12                           SUBCHAPTER C. POWERS AND DUTIES

13   Revised Law

14          Sec. 3803.101.   DISTRICT POWERS. The district has:

15                   (1) all powers necessary to accomplish the purposes  
16 for which the district was created;

17                   (2) the rights, powers, privileges, and authority of a  
18 district created under Chapter 375, Local Government Code;

19                   (3) the powers given to a corporation created under  
20 the Development Corporation Act of 1979 (Article 5190.6, Vernon's  
21 Texas Civil Statutes), including:

22                           (A) the power to own, operate, acquire,  
23 construct, lease, improve, and maintain the projects described by  
24 that Act and this chapter and any other authorized project; and

25                           (B) the power to acquire land and other property  
26 in accordance with Section 4B, Development Corporation Act of 1979  
27 (Article 5190.6, Vernon's Texas Civil Statutes); and

28                   (4) the power to create, tax, assess, and hold  
29 elections in a defined area under Chapter 54, Water Code, to provide  
30 improvements or services in the defined area for any project or  
31 activity the district is authorized to acquire, construct, improve,  
32 or provide. (Loc. Gov. Code, Sec. 376.090(a) (part).)

33   Source Law

34          Sec. 376.090.   POWERS OF DISTRICT. (a) The  
35 district has:

36                   (1) all powers necessary or required to  
37 accomplish the purposes for which the district was  
38 created;

39                   (2) the rights, powers, privileges, and  
40 authority of a district created under Chapter 375;

1 (3) the powers given to a corporation  
2 created under the Development Corporation Act of 1979  
3 (Article 5190.6, Vernon's Texas Civil Statutes), the  
4 power to own, operate, acquire, construct, lease,  
5 improve, and maintain the projects described in that  
6 act and in this subchapter and any other authorized  
7 project, and the power to acquire land and other  
8 property in accordance with Section 4B, Development  
9 Corporation Act of 1979 (Article 5190.6, Vernon's  
10 Texas Civil Statutes);

11 . . .  
12 (6) the power to create, tax, assess, and  
13 hold elections in a defined area under Chapter 54,  
14 Water Code, to provide improvements or services in the  
15 defined area for any project or activity the district  
16 is authorized to acquire, construct, improve, or  
17 provide.

18 Revisor's Note

19 Section 376.090(a)(1), Local Government Code,  
20 refers to powers "necessary or required" to  
21 accomplish the purposes of the district. The revised  
22 law omits "required" because, in this context, it is  
23 included in the meaning of "necessary."

24 Revised Law

25 Sec. 3803.102. NONPROFIT CORPORATION. (a) The board by  
26 resolution may authorize the creation of a nonprofit corporation to  
27 assist and act for the district in implementing a project,  
28 providing residential housing, or providing a service authorized by  
29 this chapter.

30 (b) The nonprofit corporation:

31 (1) has each power of and is considered for all  
32 purposes to be a local government corporation created under Chapter  
33 431, Transportation Code; and

34 (2) may implement any project and provide any service  
35 authorized by this chapter.

36 (c) The board shall appoint the board of directors of the  
37 nonprofit corporation. The board of directors of the nonprofit  
38 corporation shall serve in the same manner as, for the same term as,  
39 and on the conditions of the board of directors of a local  
40 government corporation created under Chapter 431, Transportation  
41 Code.

42 (d) The nonprofit corporation may be dissolved as provided

1 by Chapter 431, Transportation Code, for a corporation created  
2 under that chapter. (Loc. Gov. Code, Sec. 376.093.)

3 Source Law

4 Sec. 376.093. NONPROFIT CORPORATION. (a) The  
5 board by resolution may authorize the creation of a  
6 nonprofit corporation to assist and act on behalf of  
7 the district in implementing a project, providing  
8 residential housing, or providing a service authorized  
9 by this subchapter.

10 (b) The board shall appoint the board of  
11 directors of a nonprofit corporation created under  
12 this section. The board of directors of the nonprofit  
13 corporation shall serve in the same manner as, for the  
14 same term as, and on the conditions of the board of  
15 directors of a local government corporation created  
16 under Chapter 431, Transportation Code.

17 (c) A nonprofit corporation created under this  
18 section has the powers of and is considered for all  
19 purposes to be a local government corporation created  
20 under Chapter 431, Transportation Code.

21 (d) A nonprofit corporation created under this  
22 section may implement any project and provide any  
23 services authorized by this subchapter.

24 (e) A nonprofit corporation created under this  
25 section may be dissolved as provided by Chapter 431,  
26 Transportation Code, for a corporation created under  
27 that chapter.

28 Revised Law

29 Sec. 3803.103. CONTRACTS; GRANTS. (a) To protect the  
30 public interest, the district may contract with any county or  
31 municipality in which all or part of the district is located for the  
32 county or municipality to provide law enforcement services in the  
33 district for a fee.

34 (b) Harris County, the City of Houston, or another political  
35 subdivision of this state, without further authorization, may  
36 contract with the district to implement a project of the district or  
37 to assist the district in providing an authorized service. A  
38 contract under this subsection may:

- 39 (1) be for a period on which the parties agree;
- 40 (2) include terms on which the parties agree;
- 41 (3) be payable from taxes or any other source of  
42 revenue that may be available for the project or service; and
- 43 (4) provide terms under which taxes or other revenue  
44 collected at a district project, at a project in a tax increment  
45 reinvestment zone, or from a person using or purchasing a commodity

1 or service at a district project may be paid or rebated to the  
2 district.

3 (c) The district may enter into a contract, lease, or other  
4 agreement with or make or accept a grant or loan to or from any  
5 person, including:

- 6 (1) the United States;
- 7 (2) this state or a state agency;
- 8 (3) any political subdivision of this state; or
- 9 (4) a public or private corporation, including a  
10 nonprofit corporation created by the board under this subchapter.

11 (d) The district may perform all acts necessary for the full  
12 exercise of the powers vested in the district on terms and for the  
13 period the board determines advisable. (Loc. Gov. Code, Sec.  
14 376.100.)

15 Source Law

16 Sec. 376.100. CONTRACTS. (a) To protect the  
17 public interest, the district may contract with any  
18 municipality or any county in which all or part of the  
19 district is located for the provision of law  
20 enforcement services by the county or municipality in  
21 the district on a fee basis.

22 (b) The municipality, the county, or another  
23 political subdivision, without further authorization,  
24 may contract with the district to implement a project  
25 of the district or to assist the district in providing  
26 authorized services. A contract under this subsection  
27 may:

- 28 (1) be for a period on which the parties  
29 agree;
- 30 (2) include terms on which the parties  
31 agree;
- 32 (3) be payable from taxes or any other  
33 sources of revenue that may be available for such  
34 purpose; and
- 35 (4) provide that taxes or other revenues  
36 collected at a district project, at a project in a tax  
37 increment reinvestment zone, or from a person using or  
38 purchasing a commodity or service at a district  
39 project may be paid or rebated to the district under  
40 the terms specified in the contract.

41 (c) The district may enter into a contract,  
42 lease, or other agreement with or make or accept grants  
43 and loans to or from:

- 44 (1) the United States;
- 45 (2) the state or a state agency;
- 46 (3) any county, any municipality, or  
47 another political subdivision of the state;
- 48 (4) a public or private corporation,  
49 including a nonprofit corporation created by the board  
50 under this subchapter; or
- 51 (5) any other person.

52 (d) The district may perform all acts necessary

1 for the full exercise of the powers vested in the  
2 district on terms and for the period the board  
3 determines advisable.

4 Revisor's Note

5 Section 376.100(c)(3), Local Government Code,  
6 refers to "any county, any municipality, or another  
7 political subdivision of the state." The revised law  
8 omits the references to "county" and "municipality"  
9 because "county" and "municipality" are included in  
10 the meaning of "political subdivision."

11 Revised Law

12 Sec. 3803.104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. (a)  
13 The district may:

14 (1) join and pay dues to an organization that  
15 qualifies for an exemption from federal income taxation under  
16 Section 501(a), Internal Revenue Code of 1986, by being listed as an  
17 exempt organization under Section 501(c)(3), 501(c)(4), or  
18 501(c)(6) of that code; and

19 (2) perform services or provide activities consistent  
20 with the furtherance of the purposes of the district.

21 (b) An expenditure of public money for membership in an  
22 organization described by Subsection (a) is considered to further  
23 the purposes of the district and to be for a public purpose. (Loc.  
24 Gov. Code, Sec. 376.101.)

25 Source Law

26 Sec. 376.101. MEMBERSHIP IN CHARITABLE  
27 ORGANIZATIONS. The district may join and pay dues to  
28 an organization that enjoys tax-exempt status under  
29 Sections 501(c)(3), 501(c)(4), and 501(c)(6),  
30 Internal Revenue Code of 1986 (26 U.S.C. Section  
31 501(c)), and perform services or provide activities  
32 consistent with the furtherance of the purposes of the  
33 district. An expenditure of public money for  
34 membership in the organization is considered to  
35 further the purposes of the district and to be for a  
36 public purpose.

37 Revisor's Note

38 Section 376.101, Local Government Code, refers to  
39 "an organization that enjoys tax-exempt status under  
40 Sections 501(c)(3), 501(c)(4), and 501(c)(6),

1 Internal Revenue Code of 1986 (26 U.S.C. Section  
2 501(c))." The revised law substitutes "an  
3 organization that qualifies for an exemption from  
4 federal income taxation under Section 501(a), Internal  
5 Revenue Code of 1986, by being listed as an exempt  
6 organization under Section 501(c)(3), 501(c)(4), or  
7 501(c)(6) of that code" for the quoted language  
8 because it more accurately reflects the structure of  
9 the federal income tax exemption and because an  
10 organization that qualifies for an exemption under  
11 Section 501(a) does so under a single subdivision of  
12 Section 501(c).

13 [Sections 3803.105-3803.150 reserved for expansion]

#### 14 SUBCHAPTER D. FINANCIAL PROVISIONS

##### 15 Revised Law

16 Sec. 3803.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
17 IMPROVEMENTS. (a) The board may not finance a service or an  
18 improvement project under this chapter unless a written petition  
19 requesting the service or improvement is filed with the board.

20 (b) The petition must be signed by:

21 (1) the owners of a majority of the assessed value of  
22 real property in the district according to the most recent  
23 certified tax appraisal roll for Harris County; or

24 (2) at least 50 owners of land in the district, if more  
25 than 50 persons own land in the district according to the most  
26 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
27 Code, Sec. 376.092.)

##### 28 Source Law

29 Sec. 376.092. REQUIREMENTS FOR FINANCING  
30 SERVICES AND IMPROVEMENTS. The board may not finance  
31 services and improvement projects under this  
32 subchapter unless a written petition requesting those  
33 improvements or services has been filed with the  
34 board. The petition must be signed by:

35 (1) the owners of a majority of the  
36 assessed value of real property in the district as  
37 determined by the most recent certified county  
38 property tax rolls; or

39 (2) at least 50 persons who own land in the

1 district, if there are more than 50 persons who own  
2 land in the district as determined by the most recent  
3 certified county property tax rolls.

4 Revisor's Note

5 Section 376.092, Local Government Code, refers to  
6 "the most recent certified [Harris] county property  
7 tax rolls." The revised law substitutes a reference to  
8 "the most recent certified tax appraisal roll for  
9 Harris County" to conform to the terminology of Title  
10 1, Tax Code, including Section 26.01 of that code,  
11 requiring the chief appraiser of an appraisal district  
12 to certify to the tax assessor of each taxing unit that  
13 has property in the appraisal district an appraisal  
14 roll that lists the properties taxable by that taxing  
15 unit and the value of those properties.

16 Revised Law

17 Sec. 3803.152. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
18 ASSESSMENTS, AND IMPACT FEES. The district may, except as provided  
19 by Section 3803.156, impose an ad valorem tax, assessment, or  
20 impact fee as provided by Chapter 375, Local Government Code, to  
21 provide an improvement or service for a project or activity the  
22 district may acquire, construct, improve, or provide under this  
23 chapter. (Loc. Gov. Code, Sec. 376.090(a) (part).)

24 Source Law

25 (a) The district has:

26 . . .  
27 (4) except as provided by Section 376.098,  
28 the power to impose ad valorem taxes, assessments, or  
29 impact fees in accordance with Chapter 375 to provide  
30 improvements and services for a project or activity  
31 the district is authorized to acquire, construct,  
32 improve, or provide under this subchapter;  
33 . . .

34 Revised Law

35 Sec. 3803.153. MAINTENANCE TAX. (a) If authorized at an  
36 election held in accordance with Section 3803.158, the district may  
37 impose an annual ad valorem tax on taxable property in the district  
38 to:

39 (1) maintain and operate the district and the

1 improvements constructed or acquired by the district; and

2 (2) provide services to industrial or commercial  
3 businesses, residents, or property owners.

4 (b) The board shall determine the tax rate. (Loc. Gov.  
5 Code, Sec. 376.097.)

6 Source Law

7 Sec. 376.097. MAINTENANCE TAX. (a) If  
8 authorized at an election held in accordance with  
9 Section 376.096, the district may impose and collect  
10 an annual ad valorem tax on taxable property in the  
11 district for maintenance and operation of the district  
12 and the improvements constructed or acquired by the  
13 district and for the provision of services to  
14 industrial or commercial businesses, residents, or  
15 property owners.

16 (b) The board shall determine the tax rate.

17 Revisor's Note

18 Section 376.097(a), Local Government Code,  
19 provides that the Greater Greenspoint Management  
20 District of Harris County may "impose and collect" an  
21 ad valorem tax. The revised law omits "and collect"  
22 because "impose" is the term generally used in Title 1,  
23 Tax Code, and includes the collection of an ad valorem  
24 tax.

25 Revised Law

26 Sec. 3803.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
27 The district may correct, add to, or delete an assessment from its  
28 assessment rolls and collect an assessment due under the  
29 correction, addition, or deletion after notice and hearing in the  
30 manner required by Section 375.115, Local Government Code.

31 (b) An assessment, a reassessment, or an assessment  
32 resulting from an addition to or correction of the assessment roll  
33 by the district, penalties and interest on an assessment or  
34 reassessment, an expense of collection, and reasonable attorney's  
35 fees incurred by the district:

36 (1) are a first and prior lien against the property  
37 assessed;

38 (2) are superior to any other lien or claim other than

1 a lien or claim for county, school district, or municipal ad valorem  
2 taxes; and

3 (3) are the personal liability of and a charge against  
4 the owners of the property even if the owners are not named in the  
5 assessment proceeding.

6 (c) The lien is effective from the date of the board's  
7 resolution imposing the assessment until the date the assessment is  
8 paid. The board may enforce the lien in the same manner that the  
9 board may enforce an ad valorem tax lien against real property.  
10 (Loc. Gov. Code, Secs. 376.090(a) (part), 376.095.)

11 Source Law

12 [Sec. 376.090]

13 (a) The district has:

14 . . .  
15 (5) the power to correct, add to, or delete  
16 assessments from its assessment rolls and to collect  
17 assessments due under the corrections, additions, and  
18 deletions after notice and hearing in the manner  
19 required by Section 375.115; and  
20 . . .

21 Sec. 376.095. ASSESSMENTS. (a) Assessments,  
22 reassessments, or assessments resulting from an  
23 addition to or correction of the assessment roll by the  
24 district, penalties and interest on an assessment or  
25 reassessment, expenses of collection, and reasonable  
26 attorney's fees incurred by the district:

27 (1) are a first and prior lien against the  
28 property assessed;

29 (2) are superior to any other lien or claim  
30 other than a lien or claim for county, school district,  
31 or municipal ad valorem taxes; and

32 (3) are the personal liability of and  
33 charge against the owners of the property even if the  
34 owners are not named in the assessment proceedings.

35 (b) The lien is effective from the date of the  
36 resolution of the board levying the assessment until  
37 the assessment is paid. The board may enforce the lien  
38 in the same manner that the board may enforce an ad  
39 valorem tax lien against real property.

40 Revised Law

41 Sec. 3803.155. TAX AND ASSESSMENT ABATEMENTS. Without  
42 further authorization or other procedural requirement, the  
43 district may grant, consistent with Chapter 312, Tax Code, an  
44 abatement for a tax or assessment owed to the district. (Loc. Gov.  
45 Code, Sec. 376.099.)

46 Source Law

47 Sec. 376.099. TAX AND ASSESSMENT ABATEMENTS.

1 Without further authorization or other procedural  
2 requirement, the district may grant, consistent with  
3 Chapter 312, Tax Code, an abatement for a tax or  
4 assessment owed to the district.

5 Revised Law

6 Sec. 3803.156. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT  
7 FEES. Because the district is created in an area that is devoted  
8 primarily to commercial and business activity, the district may not  
9 impose an impact fee or assessment on a single-family residential  
10 property or a residential duplex, triplex, fourplex, or  
11 condominium. (Loc. Gov. Code, Sec. 376.098.)

12 Source Law

13 Sec. 376.098. EXEMPTION FROM ASSESSMENT AND  
14 IMPACT FEES. Because the district is created in an  
15 area that is devoted primarily to commercial and  
16 business activity, the district may not impose an  
17 impact fee or assessment on a single family  
18 residential property or a residential duplex, triplex,  
19 quadruplex, or condominium.

20 Revised Law

21 Sec. 3803.157. OBLIGATIONS. (a) The district may issue  
22 bonds or other obligations payable in whole or in part from ad  
23 valorem taxes, assessments, impact fees, revenue, grants, or other  
24 money of the district, or any combination of those sources of money,  
25 to pay for any authorized purpose of the district.

26 (b) In exercising the district's borrowing power, the  
27 district may issue a bond or other obligation in the form of a bond,  
28 note, certificate of participation or other instrument evidencing a  
29 proportionate interest in payments to be made by the district, or  
30 other type of obligation. (Loc. Gov. Code, Sec. 376.094.)

31 Source Law

32 Sec. 376.094. BONDS (a) The district may issue  
33 bonds or other obligations payable in whole or in part  
34 from ad valorem taxes, assessments, impact fees,  
35 revenues, grants, or other money of the district, or  
36 any combination of those sources of money, to pay for  
37 any authorized purpose of the district.

38 (b) Bonds or other obligations of the district  
39 may be issued in the form of bonds, notes, certificates  
40 of participation, including other instruments  
41 evidencing a proportionate interest in payments to be  
42 made by the district, or other obligations that are  
43 issued in the exercise of the district's borrowing  
44 power.

1 Revised Law

2 Sec. 3803.158. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
3 district must hold an election in the manner provided by Subchapter  
4 L, Chapter 375, Local Government Code, to obtain voter approval  
5 before the district may:

6 (1) impose a maintenance tax; or

7 (2) issue a bond payable from ad valorem taxes or  
8 assessments.

9 (b) The board may submit multiple purposes in a single  
10 proposition at an election.

11 (c) The board may not call an election under this chapter  
12 unless a written petition requesting an election is filed with the  
13 board. The petition must be signed by 50 owners of property in the  
14 district, if more than 50 persons own property in the district  
15 according to the most recent certified tax appraisal roll for  
16 Harris County.

17 (d) When issuing a bond payable from a defined area under  
18 Chapter 54, Water Code, the district must hold the required  
19 election only in the defined area and not in the entire district.  
20 (Loc. Gov. Code, Sec. 376.096.)

21 Source Law

22 Sec. 376.096. ELECTIONS. (a) The district  
23 shall hold an election in the manner provided by  
24 Subchapter L, Chapter 375, to obtain voter approval  
25 before the district imposes a maintenance tax or  
26 issues bonds payable from ad valorem taxes or  
27 assessments.

28 (b) The board may submit multiple purposes in a  
29 single proposition at an election.

30 (c) The board may not call an election under  
31 this subchapter unless a written petition requesting  
32 an election has been filed with the board. The  
33 petition must be signed by 50 owners of property in the  
34 district, if there are more than 50 persons who own  
35 property in the district as determined by the most  
36 recent certified county property tax rolls.

37 (d) When issuing bonds payable from a defined  
38 area under Chapter 54, Water Code, a required election  
39 must be held only in the defined area and not in the  
40 entire district.

41 Revisor's Note

42 Section 376.096(c), Local Government Code,  
43 refers to "the most recent certified [Harris] county

1 property tax rolls." The revised law substitutes a  
2 reference to "the most recent certified tax appraisal  
3 roll for Harris County" for the reason stated in the  
4 revisor's note to Section 3803.151.

5 Revised Law

6 Sec. 3803.159. SALES AND USE TAX PROHIBITED. The district  
7 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
8 376.090(b).)

9 Source Law

10 (b) The district may not impose a sales and use  
11 tax.

12 CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

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27 SUBCHAPTER A. GENERAL PROVISIONS  
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29 Sec. 3804.001. DEFINITIONS. In this chapter:  
30 (1) "Board" means the board of directors of the  
31 district.  
32 (2) "District" means the First Colony Management  
33 District. (Loc. Gov. Code, Secs. 376.113(1), (2).)

1 Source Law

2 Sec. 376.113. DEFINITIONS. In this subchapter:  
3 (1) "Board" means the board of directors  
4 of the district.  
5 (2) "District" means the First Colony  
6 Management District.

7 Revisor's Note

8 Sections 376.113(3) and (4), Local Government  
9 Code, respectively define "county" as Fort Bend County  
10 and "municipality" as the City of Sugar Land. The  
11 revised law omits the definitions for ease of  
12 understanding. Throughout this chapter, the revised  
13 law instead refers to Fort Bend County and the City of  
14 Sugar Land, unless the context clearly shows that the  
15 term "county" or "municipality" refers generally to  
16 any county or municipality. The omitted law reads:

17 (3) "Municipality" means the  
18 City of Sugar Land, Texas.  
19 (4) "County" means Fort Bend  
20 County, Texas.

21 Revised Law

22 Sec. 3804.002. FIRST COLONY MANAGEMENT DISTRICT. A special  
23 district known as the "First Colony Management District" is a  
24 governmental agency and political subdivision of this state. (Loc.  
25 Gov. Code, Sec. 376.111(a).)

26 Source Law

27 Sec. 376.111. CREATION OF DISTRICT. (a) A  
28 special district to be known as the "First Colony  
29 Management District" exists as a governmental agency,  
30 body politic and corporate, and political subdivision  
31 of the state.

32 Revisor's Note

33 (1) Section 376.111(a), Local Government Code,  
34 provides that the First Colony Management District is  
35 a "governmental agency, body politic and corporate,  
36 and political subdivision of the state." The revised  
37 law omits "body politic and corporate" because the  
38 meaning of those words is included in the meaning of  
39 "governmental agency" or "political subdivision of  
40 this state."

1           (2) Section 376.111(b), Local Government Code,  
2 states that the board may change the name of the  
3 district by resolution. The revised law omits the  
4 section because it duplicates Section 375.096(d),  
5 Local Government Code. Section 376.117, Local  
6 Government Code (revised in this chapter as Section  
7 3804.007), provides that Chapter 375, Local Government  
8 Code, applies to the district. Therefore, it is not  
9 necessary to revise statutes that duplicate  
10 provisions in that chapter. The omitted law reads:

11                   (b) The name of the district may be  
12                   changed by resolution of the board.

13                                   Revised Law

14           Sec. 3804.003. PURPOSE; DECLARATION OF INTENT. (a) The  
15 creation of the district is essential to accomplish the purposes of  
16 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
17 Texas Constitution, and other public purposes stated in this  
18 chapter. By creating the district and in authorizing Fort Bend  
19 County, the City of Sugar Land, and other political subdivisions to  
20 contract with the district, the legislature has established a  
21 program to accomplish the public purposes set out in Section 52-a,  
22 Article III, Texas Constitution.

23           (b) The creation of the district is necessary to promote,  
24 develop, encourage, and maintain employment, commerce,  
25 transportation, housing, tourism, recreation, the arts,  
26 entertainment, economic development, safety, and the public  
27 welfare in the city of Sugar Land.

28           (c) This chapter and the creation of the district may not be  
29 interpreted to relieve Fort Bend County or the City of Sugar Land  
30 from providing the level of services provided as of September 1,  
31 1997, to the area in the district or to release the county or the  
32 city from the obligations of each entity to provide services to that  
33 area. The district is created to supplement and not to supplant the  
34 county or city services provided in the area in the district. (Loc.

1 Gov. Code, Secs. 376.111(c), 376.112.)

2 Source Law

3 [Sec. 376.111]

4 (c) The creation of the district is essential to  
5 accomplish the purposes of Section 52, Article III,  
6 Section 59, Article XVI, and Section 52-a, Article  
7 III, Texas Constitution, and other public purposes  
8 stated in this subchapter.

9 Sec. 376.112. DECLARATION OF INTENT. (a) The  
10 creation of the district is necessary to promote,  
11 develop, encourage, and maintain employment,  
12 commerce, transportation, housing, tourism,  
13 recreation, arts, entertainment, economic  
14 development, safety, and the public welfare in the  
15 municipality.

16 (b) The creation of the district and this  
17 legislation is not to be interpreted to relieve the  
18 county or the municipality from providing the level of  
19 services, as of September 1, 1997, to the area in the  
20 district or to release the county or the municipality  
21 from the obligations each entity has to provide  
22 services to that area. The district is created to  
23 supplement and not supplant the municipal or county  
24 services provided in the area in the district.

25 (c) By creating the district and in authorizing  
26 the municipality, county, and other political  
27 subdivisions to contract with the district, the  
28 legislature has established a program to accomplish  
29 the public purposes set out in Section 52-a, Article  
30 III, Texas Constitution.

31 Revised Law

32 Sec. 3804.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
33 The district is created to serve a public use and benefit.

34 (b) All land and other property included in the district  
35 will benefit from the improvements and services to be provided by  
36 the district under powers conferred by Sections 52 and 52-a,  
37 Article III, and Section 59, Article XVI, Texas Constitution, and  
38 other powers granted under this chapter.

39 (c) The creation of the district is in the public interest  
40 and is essential to:

41 (1) further the public purposes of developing and  
42 diversifying the economy of the state;

43 (2) eliminate unemployment and underemployment; and

44 (3) develop or expand transportation and commerce.

45 (d) The district will:

46 (1) promote the health, safety, and general welfare of  
47 residents, employers, employees, visitors, and consumers in the

1 district, and of the public;

2 (2) provide needed funding for the City of Sugar Land  
3 to preserve, maintain, and enhance the economic health and vitality  
4 of the area as a community and business center; and

5 (3) promote the health, safety, welfare, and enjoyment  
6 of the public by providing pedestrian ways and by landscaping and  
7 developing certain areas in the district, which are necessary for  
8 the restoration, preservation, and enhancement of scenic and  
9 aesthetic beauty.

10 (e) Pedestrian ways along or across a street, whether at  
11 grade or above or below the surface, and street lighting, street  
12 landscaping, and street art objects are parts of and necessary  
13 components of a street and are considered to be a street or road  
14 improvement.

15 (f) The district will not act as the agent or  
16 instrumentality of any private interest even though the district  
17 will benefit many private interests as well as the public. (Loc.  
18 Gov. Code, Sec. 376.116.)

19 Source Law

20 Sec. 376.116. FINDINGS OF BENEFIT AND PUBLIC  
21 PURPOSE. (a) All the land and other property included  
22 in the district will be benefited by the improvements  
23 and services to be provided by the district under  
24 powers conferred by Section 52, Article III, Section  
25 59, Article XVI, and Section 52-a, Article III, Texas  
26 Constitution, and other powers granted under this  
27 subchapter, and the district is created to serve a  
28 public use and benefit.

29 (b) The creation of the district is in the  
30 public interest and is essential to:

31 (1) further the public purposes of the  
32 development and diversification of the economy of the  
33 state; and

34 (2) eliminate unemployment and  
35 underemployment and develop or expand transportation  
36 and commerce.

37 (c) The district will:

38 (1) promote the health, safety, and  
39 general welfare of residents, employers, employees,  
40 visitors, consumers in the district, and the general  
41 public;

42 (2) provide needed funding for the  
43 municipality to preserve, maintain, and enhance the  
44 economic health and vitality of the area as a community  
45 and business center; and

46 (3) further promote the health, safety,  
47 welfare, and enjoyment of the public by providing  
48 pedestrian ways and by landscaping and developing

1 certain areas in the district, which are necessary for  
2 the restoration, preservation, and enhancement of  
3 scenic and aesthetic beauty.

4 (d) Pedestrian ways along or across a street,  
5 whether at grade or above or below the surface, and  
6 street lighting, street landscaping, and street art  
7 objects are parts of and necessary components of a  
8 street and are considered to be a street or road  
9 improvement.

10 (e) The district will not act as the agent or  
11 instrumentality of any private interest even though  
12 many private interests will be benefited by the  
13 district, as will the general public.

14 Revised Law

15 Sec. 3804.005. DISTRICT TERRITORY. (a) The district is  
16 composed of the territory described by Section 1, Chapter 985, Acts  
17 of the 75th Legislature, Regular Session, 1997, enacting former  
18 Section 376.114, Local Government Code, as that territory may have  
19 been modified under:

20 (1) Section 3804.108 or its predecessor statute,  
21 former Section 376.122, Local Government Code;

22 (2) Subchapter J, Chapter 49, Water Code; or

23 (3) other law.

24 (b) The boundaries and field notes of the district contained  
25 in Section 1, Chapter 985, Acts of the 75th Legislature, Regular  
26 Session, 1997, enacting former Section 376.114, Local Government  
27 Code, form a closure. A mistake in the field notes or in copying the  
28 field notes in the legislative process does not in any way affect:

29 (1) the district's organization, existence, and  
30 validity;

31 (2) the district's right to issue any type of bond,  
32 including a refunding bond, for a purpose for which the district is  
33 created or to pay the principal of and interest on the bond;

34 (3) the district's right to impose and collect an  
35 assessment or tax; or

36 (4) the legality or operation of the district or the  
37 board. (Loc. Gov. Code, Sec. 376.115; New.)

38 Source Law

39 Sec. 376.115. FINDINGS RELATING TO BOUNDARIES.  
40 The boundaries and field notes of the district form a  
41 closure. If a mistake is made in the field notes or in  
42 copying the field notes in the legislative process,

1 the mistake does not in any way affect the:

2 (1) organization, existence, and validity  
3 of the district;

4 (2) right of the district to issue any type  
5 of bonds or refunding bonds for the purposes for which  
6 the district is created or to pay the principal of and  
7 interest on the bonds;

8 (3) right of the district to impose and  
9 collect assessments or taxes; or

10 (4) legality or operation of the district  
11 or its governing body.

12 Revisor's Note

13 The revision of the law governing the First  
14 Colony Management District does not revise the  
15 statutory language describing the territory of the  
16 district to avoid the lengthy recitation of the  
17 description and because that description may not be  
18 accurate on the effective date of the revision or at  
19 the time of a later reading. For the reader's  
20 convenience, the revised law includes a reference to  
21 the statutory description of the district's territory  
22 and references to statutory authority to change the  
23 district's territory under Section 376.122, Local  
24 Government Code (revised in this chapter as Section  
25 3804.108), and under Subchapter J, Chapter 49, Water  
26 Code, applicable under revised Section 3804.108. The  
27 revised law also includes a reference to the general  
28 authority of the legislature to enact other laws to  
29 change the district's territory.

30 Revised Law

31 Sec. 3804.006. ELIGIBILITY FOR REINVESTMENT ZONES. (a)  
32 All or any part of the area of the district is eligible to be  
33 included in:

34 (1) a tax increment reinvestment zone created by the  
35 City of Sugar Land under Chapter 311, Tax Code; or

36 (2) a tax abatement reinvestment zone created by the  
37 City of Sugar Land under Chapter 312, Tax Code.

38 (b) A taxing unit participating in a tax increment  
39 reinvestment zone created by a municipality or county may continue

1 to enter into a tax abatement agreement. (Loc. Gov. Code, Sec.  
2 376.137.)

3 Source Law

4 Sec. 376.137. REINVESTMENT ZONES. (a) All or  
5 any part of the area of the district is eligible to be  
6 included in a tax incremental reinvestment zone  
7 created by the municipality under Chapter 311, Tax  
8 Code, or included in a tax abatement reinvestment zone  
9 created by the municipality under Chapter 312, Tax  
10 Code.

11 (b) A taxing unit participating in a tax  
12 increment reinvestment zone created by a municipality  
13 or county may continue to enter into a tax abatement  
14 agreement.

15 Revised Law

16 Sec. 3804.007. APPLICABILITY OF OTHER LAW. Except as  
17 otherwise provided by this chapter, Chapter 375, Local Government  
18 Code, applies to the district. (Loc. Gov. Code, Sec. 376.117.)

19 Source Law

20 Sec. 376.117. APPLICATION OF OTHER LAW. Except  
21 as otherwise provided by this subchapter, Chapter 375  
22 applies to the district.

23 Revised Law

24 Sec. 3804.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
25 chapter shall be liberally construed in conformity with the  
26 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
27 376.118.)

28 Source Law

29 Sec. 376.118. CONSTRUCTION OF SUBCHAPTER. This  
30 subchapter shall be liberally construed in conformity  
31 with the findings and purposes stated in this  
32 subchapter.

33 [Sections 3804.009-3804.050 reserved for expansion]

34 SUBCHAPTER B. BOARD OF DIRECTORS

35 Revised Law

36 Sec. 3804.051. BOARD OF DIRECTORS; TERMS. (a) The district  
37 is governed by a board of 13 directors who serve staggered terms of  
38 four years with six or seven directors' terms expiring June 1 of  
39 each odd-numbered year.

40 (b) The board by resolution may increase or decrease the  
41 number of directors on the board, but only if it is in the best

1 interest of the district to do so. The board may not:

2 (1) increase the number of directors to more than 30;  
3 or

4 (2) decrease the number of directors to fewer than  
5 nine. (Loc. Gov. Code, Sec. 376.119(a).)

6 Source Law

7 Sec. 376.119. BOARD OF DIRECTORS IN GENERAL.  
8 (a) The district is governed by a board of 13  
9 directors who serve staggered terms of four years with  
10 seven or six members' terms expiring June 1 of each  
11 odd-numbered year. The board may increase or decrease  
12 the number of directors on the board by resolution,  
13 provided that it is in the best interest of the  
14 district to do so and that the board consists of not  
15 fewer than nine and not more than 30 directors.

16 Revisor's Note

17 Section 376.119(b), Local Government Code,  
18 provides that Subchapter D, Chapter 375, Local  
19 Government Code, applies to the board to the extent  
20 that Subchapter D, Chapter 375, does not conflict with  
21 Subchapter D, Chapter 376, Local Government Code  
22 (revised as this chapter). The revised law omits this  
23 provision because it duplicates Section 376.117, Local  
24 Government Code (revised in this chapter as Section  
25 3804.007), Section 376.122, Local Government Code  
26 (revised in this chapter as Section 3804.101), and  
27 Section 376.124, Local Government Code (revised in  
28 this chapter as Section 3804.102). Revised Section  
29 3804.007 provides that Chapter 375, Local Government  
30 Code, applies to the district except as otherwise  
31 provided by this chapter and revised Section 3804.101  
32 refers to Chapter 375, Local Government Code. Revised  
33 Section 3804.102 provides that this chapter prevails  
34 over any law to which revised Section 3804.101 refers  
35 that is in conflict with or inconsistent with this  
36 chapter. The omitted law reads:

37 (b) Subchapter D, Chapter 375,  
38 applies to the board to the extent that  
39 subchapter does not conflict with this

1 subchapter. . . .

2 Revised Law

3 Sec. 3804.052. APPOINTMENT OF DIRECTORS. (a) The mayor and  
4 members of the governing body of the City of Sugar Land shall  
5 appoint directors from persons recommended by the board.

6 (b) A person may not be appointed to the board if the  
7 appointment of that person would result in fewer than two-thirds of  
8 the directors owning property in the city of Sugar Land.

9 (c) An owner of a tract of land in the district that is 10 or  
10 more acres in size may recommend to the board a successor director  
11 to fill a position or vacancy on the board unless a director  
12 recommended by the current or previous owner of the tract is serving  
13 on the board. (Loc. Gov. Code, Secs. 376.120(a) (part), (b), (c).)

14 Source Law

15 Sec. 376.120. APPOINTMENT AND REMOVAL OF  
16 DIRECTORS; VACANCY. (a) The mayor and members of the  
17 governing body of the municipality shall appoint  
18 directors from persons recommended by the board. . . .

19 (b) A person may not be appointed to the board if  
20 the appointment of that person would result in less  
21 than two-thirds of the board members being owners of  
22 property in the municipality.

23 (c) An owner of a tract of land within the  
24 district that is 10 or more acres in size may recommend  
25 to the board of directors a successor director to fill  
26 a position or vacancy on the board unless a director  
27 recommended by the current or previous owner of the  
28 tract is serving on the board.

29 Revisor's Note

30 Section 376.120(a), Local Government Code,  
31 refers to a vacancy in the office of director "because  
32 of the death, resignation, or removal of a director"  
33 and provides for appointing a replacement. The  
34 revised law omits this provision because it  
35 substantively duplicates Section 375.066, Local  
36 Government Code. Section 376.117, Local Government  
37 Code (revised in this chapter as Section 3804.007),  
38 provides that Chapter 375, Local Government Code,  
39 applies to the district. Therefore, it is not  
40 necessary to revise statutes that duplicate provisions  
41 in that chapter. Although Section 375.066 does not

1 refer to "the death, resignation, or removal of a  
2 director," that language is unnecessary because the  
3 quoted language merely describes every manner in which  
4 a vacancy may occur without limiting in any way the  
5 board's duty to fill a vacancy. The omitted law reads:

6 (a) . . . A vacancy in the office of  
7 director because of the death, resignation,  
8 or removal of a director shall be filled by  
9 the remaining members of the board by  
10 appointing a qualified person for the  
11 unexpired term.

12 Revised Law

13 Sec. 3804.053. NONVOTING DIRECTORS. The board may appoint  
14 nonvoting directors to serve on the board. (Loc. Gov. Code, Sec.  
15 376.121.)

16 Source Law

17 Sec. 376.121. NONVOTING MEMBERS OF BOARD OF  
18 DIRECTORS. The board may appoint nonvoting members to  
19 serve on the board.

20 Revised Law

21 Sec. 3804.054. REMOVAL OF DIRECTORS. (a) The board may  
22 remove a director if the director has missed half the meetings  
23 scheduled during the preceding 12 months.

24 (b) A director removed under this section may file a written  
25 appeal with the governing body of the City of Sugar Land. The  
26 governing body may reinstate the director if the body finds that the  
27 removal was unwarranted under the circumstances after considering  
28 the reasons for the absences, the time and place of the meetings,  
29 the business conducted at the meetings missed, and any other  
30 relevant circumstances. (Loc. Gov. Code, Sec. 376.120(d).)

31 Source Law

32 (d) The board may remove a director by a  
33 majority vote of directors if the director has missed  
34 half the meetings scheduled during the previous 12  
35 months. A director removed under this subsection may  
36 file a written appeal with the governing body of the  
37 municipality. The governing body may reinstate the  
38 director if the body finds that the removal was  
39 unwarranted under the circumstances after considering  
40 the reasons for the absences, the time and place of the  
41 meetings, the business conducted at the meetings  
42 missed, and any other relevant circumstances.

1 Revisor's Note

2 Section 376.120(d), Local Government Code,  
3 refers to the removal of a director by "a majority vote  
4 of the directors." The revised law omits the quoted  
5 language because it duplicates general law. Section  
6 311.013(a), Government Code (Code Construction Act),  
7 provides that authority given jointly to three or more  
8 persons as a public body may be executed by a majority  
9 of them. That provision applies to the board of  
10 directors of the district.

11 [Sections 3804.055-3804.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Revised Law

14 Sec. 3804.101. DISTRICT POWERS. The district has:

15 (1) all powers necessary to accomplish the purposes  
16 for which the district was created;

17 (2) the rights, powers, privileges, authority, and  
18 functions of a district created under Chapter 375, Local Government  
19 Code; and

20 (3) the powers given to a corporation under Section  
21 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
22 Texas Civil Statutes), and the power to own, operate, acquire,  
23 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
24 Sec. 376.122 (part).)

25 Source Law

26 Sec. 376.122. POWERS OF DISTRICT. The district  
27 has:

28 (1) all powers necessary or required to  
29 accomplish the purposes for which the district was  
30 created;

31 (2) the rights, powers, privileges,  
32 authority, and functions of a district created under  
33 Chapter 375;

34 (3) the powers given to a corporation  
35 under Section 4B, the Development Corporation Act of  
36 1979 (Article 5190.6, Vernon's Texas Civil Statutes),  
37 and the power to own, operate, acquire, construct,  
38 lease, improve, and maintain projects;

39 . . .

1 Revisor's Note

2 Section 376.122(1), Local Government Code,  
3 refers to powers "necessary or required" to accomplish  
4 the purposes of the district. The revised law omits  
5 "required" because in this context it is included in  
6 the meaning of "necessary."

7 Revised Law

8 Sec. 3804.102. RELATION TO OTHER LAW. This chapter  
9 prevails over a law to which Section 3804.101 or 3804.108 refers  
10 that is in conflict with or is inconsistent with this chapter.  
11 (Loc. Gov. Code, Sec. 376.124 (part).)

12 Source Law

13 Sec. 376.124. RELATION TO OTHER LAW. If any  
14 provision of a law referenced in Section 376.122 is in  
15 conflict with or is inconsistent with this subchapter,  
16 this subchapter prevails. . . .

17 Revisor's Note

18 Section 376.124, Local Government Code, provides  
19 for the adoption and incorporation by reference of  
20 laws to which Subchapter D, Chapter 376, Local  
21 Government Code, refers. The revised law omits the  
22 provision as unnecessary. Because this chapter  
23 references the laws that apply to the district, it is  
24 not necessary to duplicate the substance of those laws  
25 in this section by means of adoption and  
26 incorporation. The omitted law reads:

27 Sec. 376.124. RELATION TO OTHER LAW.  
28 . . . Any law referenced in this subchapter  
29 that is not in conflict or inconsistent with  
30 this subchapter is adopted and incorporated  
31 by reference.

32 Revised Law

33 Sec. 3804.103. NONPROFIT CORPORATION. (a) The board by  
34 resolution may authorize the creation of a nonprofit corporation to  
35 assist and act for the district in implementing a project or  
36 providing a service authorized by this chapter.

37 (b) The nonprofit corporation:

1 (1) has each power of and is considered for purposes of  
2 this chapter to be a local government corporation created under  
3 Chapter 431, Transportation Code; and

4 (2) may implement any project and provide any service  
5 authorized by this chapter.

6 (c) The board shall appoint the board of directors of the  
7 nonprofit corporation. The board of directors of the nonprofit  
8 corporation shall serve in the same manner as, for the same term as,  
9 and on the same conditions as the board of directors of a local  
10 government corporation created under Chapter 431, Transportation  
11 Code. (Loc. Gov. Code, Sec. 376.126.)

12 Source Law

13 Sec. 376.126. NONPROFIT CORPORATION. (a) The  
14 board by resolution may authorize the creation of a  
15 nonprofit corporation to assist and act on behalf of  
16 the district in implementing a project or providing a  
17 service authorized by this subchapter.

18 (b) The board shall appoint the board of  
19 directors of a nonprofit corporation created under  
20 this section. The board of directors of the nonprofit  
21 corporation shall serve in the same manner as, for the  
22 same term as, and on the conditions of the board of  
23 directors of a local government corporation created  
24 under Chapter 431, Transportation Code.

25 (c) A nonprofit corporation created under this  
26 section has the powers of and is considered for  
27 purposes of this subchapter to be a local government  
28 corporation created under Chapter 431, Transportation  
29 Code.

30 (d) A nonprofit corporation created under this  
31 section may implement any project and provide any  
32 services authorized by this subchapter.

33 Revised Law

34 Sec. 3804.104. CONTRACTS; GRANTS. (a) To protect the  
35 public interest, the district may contract with Fort Bend County or  
36 the City of Sugar Land for the county or the city to provide law  
37 enforcement services in the district for a fee.

38 (b) Fort Bend County, the City of Sugar Land, or another  
39 political subdivision of this state, without further  
40 authorization, may contract with the district to implement a  
41 project of the district or assist the district in providing a  
42 service authorized under this chapter. A contract under this  
43 subsection may:

- 1 (1) be for a period on which the parties agree;
- 2 (2) include terms on which the parties agree;
- 3 (3) be payable from taxes or any other source of  
4 revenue that may be available for that project or service; and
- 5 (4) provide terms under which taxes or other revenue  
6 collected at a district project or from a person using or purchasing  
7 a commodity or service at a district project may be paid or rebated  
8 to the district.

9 (c) The district may enter into a contract, lease, or other  
10 agreement with or make or accept a grant or loan to or from any  
11 person, including:

- 12 (1) the United States;
- 13 (2) this state or a state agency;
- 14 (3) any political subdivision of this state; and
- 15 (4) a public or private corporation, including a  
16 nonprofit corporation created by the board under this subchapter.

17 (d) The district may perform all acts necessary for the full  
18 exercise of the powers vested in the district on terms and for the  
19 period the board determines advisable. (Loc. Gov. Code, Sec.  
20 376.135.)

21 Source Law

22 Sec. 376.135. CONTRACTS. (a) To protect the  
23 public interest, the district may contract with the  
24 municipality or county for the provision of law  
25 enforcement services by the county or municipality in  
26 the district on a fee basis.

27 (b) The municipality, county, or another  
28 political subdivision of the state, without further  
29 authorization, may contract with the district to  
30 implement a project of the district or assist the  
31 district in providing the services authorized under  
32 this subchapter. A contract under this subsection  
33 may:

- 34 (1) be for a period on which the parties  
35 agree;
- 36 (2) include terms on which the parties  
37 agree;
- 38 (3) be payable from taxes or any other  
39 sources of revenue that may be available for such  
40 purpose; or
- 41 (4) provide that taxes or other revenue  
42 collected at a district project or from a person using  
43 or purchasing a commodity or service at a district  
44 project may be paid or rebated to the district under  
45 the terms of the contract.

46 (c) The district may enter into a contract,

1 lease, or other agreement with or make or accept grants  
2 and loans to or from:

- 3 (1) the United States;
- 4 (2) the state or a state agency;
- 5 (3) any county, any municipality, or  
6 another political subdivision of the state;
- 7 (4) a public or private corporation,  
8 including a nonprofit corporation created by the board  
9 under this subchapter; or
- 10 (5) any other person.

11 (d) The district may perform all acts necessary  
12 for the full exercise of the powers vested in the  
13 district on terms and for the period the board  
14 determines advisable.

15 Revisor's Note

16 Section 376.135(c)(3), Local Government Code,  
17 refers to "any county, any municipality, or another  
18 political subdivision of the state." The revised law  
19 omits the references to "county" and "municipality"  
20 because "county" and "municipality" are included in  
21 the meaning of "political subdivision."

22 Revised Law

23 Sec. 3804.105. COMPETITIVE BIDDING. The district may enter  
24 a contract for more than \$50,000 for services, improvements, or the  
25 purchase of property, including materials, machinery, equipment,  
26 and supplies, only as provided by Subchapter K, Chapter 375, Local  
27 Government Code. (Loc. Gov. Code, Sec. 376.136.)

28 Source Law

29 Sec. 376.136. COMPETITIVE BIDDING. The  
30 district may enter a contract for more than \$50,000 for  
31 services, improvements, or the purchase of property,  
32 including materials, machinery, equipment, or  
33 supplies, only as provided by Subchapter K, Chapter  
34 375.

35 Revised Law

36 Sec. 3804.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS.  
37 The district must obtain the City of Sugar Land's approval of the  
38 plans and specifications of any district improvement project  
39 related to the use of land owned by the City of Sugar Land, an  
40 easement granted by the City of Sugar Land, or a right-of-way of a  
41 street, road, or highway. (Loc. Gov. Code, Sec. 376.130.)

42 Source Law

43 Sec. 376.130. APPROVAL OF CERTAIN IMPROVEMENT  
44 PROJECTS. The district must obtain the municipality's

1 approval of the plans and specifications of any  
2 district improvement project related to the use of  
3 land owned by the municipality, an easement granted by  
4 the municipality, or a right-of-way of a street, road,  
5 or highway.

6 Revised Law

7 Sec. 3804.107. LIMITATION ON CERTAIN ACTIONS AFFECTING  
8 FACILITY OF TEXAS DEPARTMENT OF TRANSPORTATION. The district may  
9 not relocate, adjust, raise, lower, reroute, or change the grade or  
10 the construction of a facility under the jurisdiction of the Texas  
11 Department of Transportation without the department's written  
12 approval. (Loc. Gov. Code, Sec. 376.123(c).)

13 Source Law

14 (c) The district may not relocate, adjust,  
15 raise, lower, reroute, or change the grade or the  
16 construction of a facility under the jurisdiction of  
17 the Texas Department of Transportation without the  
18 written approval of the Texas Department of  
19 Transportation.

20 Revised Law

21 Sec. 3804.108. ANNEXATION OR EXCLUSION OF TERRITORY. The  
22 district may annex or exclude land, whether located inside or  
23 outside the boundaries of the city of Sugar Land, as provided by  
24 Subchapter J, Chapter 49, Water Code. (Loc. Gov. Code, Sec. 376.122  
25 (part).)

26 Source Law

27 Sec. 376.122. . . . The district has:

28 . . .  
29 (6) the authority to annex or exclude  
30 land, whether located inside or outside the boundaries  
31 of the municipality, in accordance with Chapters 49  
32 and 54, Water Code.

33 Revisor's Note

34 Section 376.122, Local Government Code,  
35 authorizes the district to annex or exclude land as  
36 provided by Chapters 49 and 54, Water Code. The  
37 relevant sections of Chapter 54 related to annexing or  
38 excluding land were contained in Sections  
39 54.701-54.727, Water Code. Those sections of the  
40 Water Code were repealed by Section 43, Chapter 715,  
41 Acts of the 74th Legislature, Regular Session, 1995.

1 Section 2 of that act added Chapter 49, Water Code,  
2 including Subchapter J of that chapter, which provides  
3 for the annexation or exclusion of territory. Because  
4 the reference to the repealed annexation and exclusion  
5 provisions in Chapter 54 may be considered to be  
6 references to the similar provisions in Subchapter J,  
7 Chapter 49, and because the revised law continues to  
8 cite Subchapter J, Chapter 49, Water Code, the revised  
9 law omits the reference to Chapter 54, Water Code.

10 Revisor's Note  
11 (End of Subchapter)

12 Sections 376.123(a) and (b), Local Government  
13 Code, provide that the district is solely responsible  
14 for expenses related to certain actions taken by the  
15 district and is liable for damages resulting from  
16 those actions. The revised law omits the sections  
17 because they duplicate Section 375.093(c), Local  
18 Government Code. Section 376.117, Local Government  
19 Code (revised in this chapter as Section 3804.007),  
20 provides that Chapter 375, Local Government Code,  
21 applies to the district. Therefore, it is not  
22 necessary to revise statutes that duplicate provisions  
23 in that chapter. The omitted law reads:

24 Sec. 376.123. EXPENSES AND LIABILITY  
25 FOR CERTAIN ACTIONS AFFECTING PROPERTY.  
26 (a) If the district, in exercising a power  
27 conferred by this subchapter, requires a  
28 relocation, adjustment, raising, lowering,  
29 rerouting, or changing of the grade or the  
30 construction of any of the following items,  
31 the district must take that required action  
32 at the sole expense of the district:  
33 (1) a street, alley, highway,  
34 overpass, underpass, road, railroad track,  
35 bridge, facility, or other property;  
36 (2) an electric line, conduit,  
37 facility, or other property;  
38 (3) a telephone or telegraph  
39 line, conduit, facility, or other property;  
40 (4) a gas transmission or  
41 distribution pipe, pipeline, main,  
42 facility, or other property;  
43 (5) a water, sanitary sewer, or  
44 storm sewer pipe, pipeline, main, facility,  
45 or other property;

1 (6) a cable television line,  
2 cable, conduit, facility, or other  
3 property; or

4 (7) another pipeline, facility,  
5 or other property relating to the pipeline.

6 (b) The district shall bear damages  
7 that are suffered by owners of the facility  
8 or other property.

9 [Sections 3804.109-3804.150 reserved for expansion]

10 SUBCHAPTER D. FINANCIAL PROVISIONS

11 Revised Law

12 Sec. 3804.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
13 IMPROVEMENTS. (a) The board may not finance a service or an  
14 improvement project under this chapter unless a written petition  
15 requesting that service or improvement is filed with the board.

16 (b) The petition must be signed by:

17 (1) the owners of a majority of the assessed value of  
18 real property in the district according to the most recent  
19 certified tax appraisal roll for Fort Bend County;

20 (2) the owners of a majority of the surface area of  
21 real property in the district, according to the most recent  
22 certified tax appraisal roll for Fort Bend County, excluding roads,  
23 streets, highways, and utility rights-of-way, other public areas,  
24 and any other property exempt from assessment under this chapter;  
25 or

26 (3) at least 50 owners of land in the district, if more  
27 than 50 persons own property in the district according to the most  
28 recent certified tax appraisal roll for Fort Bend County. (Loc.  
29 Gov. Code, Sec. 376.125.)

30 Source Law

31 Sec. 376.125. REQUIREMENTS FOR FINANCING  
32 SERVICES AND IMPROVEMENTS. The board may not finance  
33 services and improvement projects under this  
34 subchapter unless a written petition requesting those  
35 improvements or services has been filed with the  
36 board. The petition must be signed by:

37 (1) the owners of a majority of the  
38 assessed value of real property in the district as  
39 determined by the most recent certified county  
40 property tax rolls;

41 (2) the owners of the majority of the  
42 surface area of real property in the district, as  
43 determined by the most recent certified county  
44 property tax rolls, excluding roads, streets,  
45 highways, and utility rights-of-way, other public

1 areas, and any other property exempt from assessment  
2 under this chapter; or  
3 (3) at least 50 persons who own land in the  
4 district, if there are more than 50 persons who own  
5 property in the district as determined by the most  
6 recent certified county property tax rolls.

7 Revisor's Note

8 Section 376.125, Local Government Code, refers to  
9 "the most recent certified [Fort Bend] county property  
10 tax rolls." The revised law substitutes a reference to  
11 "the most recent certified tax appraisal roll for Fort  
12 Bend County" to conform to the terminology of Title 1,  
13 Tax Code, including Section 26.01 of that code,  
14 requiring the chief appraiser of an appraisal district  
15 to certify to the tax assessor of each taxing unit that  
16 has property in the appraisal district an appraisal  
17 roll that lists the properties taxable by that taxing  
18 unit and the value of those properties.

19 Revised Law

20 Sec. 3804.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
21 board by resolution shall establish the number of directors'  
22 signatures and the procedure required for a disbursement or  
23 transfer of the district's money. (Loc. Gov. Code, Sec. 376.127.)

24 Source Law

25 Sec. 376.127. DISBURSEMENTS OR TRANSFERS OF  
26 FUNDS. The board by resolution shall establish the  
27 number of directors' signatures and the procedure  
28 required for a disbursement or transfer of the  
29 district's money.

30 Revised Law

31 Sec. 3804.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
32 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
33 or impact fee requires a vote of a majority of the directors  
34 serving. (Loc. Gov. Code, Sec. 376.119(b) (part).)

35 Source Law

36 (b) . . . The imposition of a tax, assessment,  
37 or impact fee requires a vote of a majority of the  
38 directors serving.

39 Revised Law

40 Sec. 3804.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,

1 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
2 tax, assessment, or impact fee as provided by Chapter 375, Local  
3 Government Code, to provide an improvement or service for a project  
4 or activity the district may acquire, construct, improve, or  
5 provide under this chapter. (Loc. Gov. Code, Sec. 376.122 (part).)

6 Source Law

7 Sec. 376.122. . . . The district has:

8 . . .  
9 (4) the power to impose ad valorem taxes,  
10 assessments, or impact fees in accordance with Chapter  
11 375 to provide improvements and services for a project  
12 or activity the district is authorized to acquire,  
13 construct, improve, or provide under this subchapter;  
14 . . .

15 Revised Law

16 Sec. 3804.155. MAINTENANCE TAX. (a) If authorized at an  
17 election held in accordance with Section 3804.159, the district may  
18 impose an annual ad valorem tax on taxable property in the district  
19 to:

- 20 (1) maintain and operate the district and the  
21 improvements constructed or acquired by the district; or  
22 (2) provide a service.

23 (b) The board shall determine the tax rate. (Loc. Gov.  
24 Code, Sec. 376.133.)

25 Source Law

26 Sec. 376.133. MAINTENANCE TAX. (a) If  
27 authorized at an election held in accordance with  
28 Section 376.131, the district may impose and collect  
29 an annual ad valorem tax on taxable property in the  
30 district for the maintenance and operation of the  
31 district and the improvements constructed or acquired  
32 by the district or for the provision of services.

33 (b) The board shall determine the tax rate.

34 Revisor's Note

35 Section 376.133(a), Local Government Code,  
36 provides that the district may "impose and collect" an  
37 ad valorem tax. The revised law omits "and collect"  
38 because "impose" is the term generally used in Title 1,  
39 Tax Code, and includes the collection of an ad valorem  
40 tax.

1 Revised Law

2 Sec. 3804.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
3 The board by resolution may impose and collect an assessment for any  
4 purpose authorized by this chapter.

5 (b) An assessment, a reassessment, or an assessment  
6 resulting from an addition to or correction of the assessment roll  
7 by the district, penalties and interest on an assessment or  
8 reassessment, an expense of collection, and reasonable attorney's  
9 fees incurred by the district:

10 (1) are a first and prior lien against the property  
11 assessed;

12 (2) are superior to any other lien or claim other than  
13 a lien or claim for county, school district, or municipal ad valorem  
14 taxes; and

15 (3) are the personal liability of and a charge against  
16 the owners of the property even if the owners are not named in the  
17 assessment proceeding.

18 (c) The lien is effective from the date of the board's  
19 resolution imposing the assessment until the date the assessment is  
20 paid. The board may enforce the lien in the same manner that the  
21 board may enforce an ad valorem tax lien against real property.

22 (d) The board may correct, add to, or delete assessments  
23 from its assessment rolls after notice and hearing as provided by  
24 Subchapter F, Chapter 375, Local Government Code.

25 (e) If equipment installed, at no cost to the district, on  
26 assessed property reduces the district's cost of providing a  
27 service, the district may reduce the amount of the assessment  
28 against the property for the person required to pay the assessment  
29 by an amount equal to the money saved by the equipment or may rebate  
30 the money saved to the person required to pay the assessment. The  
31 amount of money saved is determined solely by the district. The  
32 district shall determine and apply rebates and reductions under  
33 this subsection in a nondiscriminatory manner. (Loc. Gov. Code,  
34 Secs. 376.122 (part), 376.129(a), (b), (c), (e).)

1 Source Law

2 Sec. 376.122. . . . The district has:

3 . . .  
4 (5) the power to correct, add to, or delete  
5 assessments from its assessment rolls after notice and  
6 hearing as provided by Subchapter F, Chapter 375; and  
7 . . .

8 Sec. 376.129. ASSESSMENTS. (a) The board may  
9 impose and collect an assessment for any purpose  
10 authorized by this subchapter.

11 (b) Assessments, reassessments, or assessments  
12 resulting from an addition to or correction of the  
13 assessment roll by the district, penalties and  
14 interest on an assessment or reassessment, expenses of  
15 collection, and reasonable attorney's fees incurred by  
16 the district:

17 (1) are a first and prior lien against the  
18 property assessed;

19 (2) are superior to any other lien or claim  
20 other than a lien or claim for county, school district,  
21 or municipal ad valorem taxes; and

22 (3) are the personal liability of and  
23 charge against the owners of the property even if the  
24 owners are not named in the assessment proceedings.

25 (c) The lien is effective from the date of the  
26 resolution of the board levying the assessment until  
27 the assessment is paid. The board may enforce the lien  
28 in the same manner that the board may enforce an ad  
29 valorem tax lien against real property.

30 (e) If equipment installed, at no cost to the  
31 district, on assessed property reduces the district's  
32 cost of providing a service, the district may reduce  
33 the amount of the assessment against the property for  
34 the person required to pay the assessment by an amount  
35 equal to the money saved by the equipment or may rebate  
36 the money saved to the person required to pay the  
37 assessment. The amount of money saved is determined  
38 solely by the district. The district shall determine  
39 and apply rebates and reductions under this subsection  
40 in a nondiscriminatory manner.

41 Revised Law

42 Sec. 3804.157. PROPERTY EXEMPT FROM ASSESSMENTS AND IMPACT  
43 FEES. The district may not, without the consent of the owner,  
44 impose an impact fee or assessment under Chapter 375, Local  
45 Government Code, on:

46 (1) a condominium for which the owner meets all the  
47 requirements to claim a homestead exemption, a single-family  
48 detached residential property, or a residential duplex, triplex, or  
49 fourplex;

50 (2) a tract consistently and continuously used for:

51 (A) religious worship or a school that is  
52 maintained or owned by or affiliated with a religious organization;

1 or

2 (B) a use ancillary to and in keeping with the  
3 operation of a full-service church or school affiliated with a  
4 religious organization;

5 (3) a tract owned by this state or the United States  
6 and used for a public purpose;

7 (4) a tract owned by the City of Sugar Land, Fort Bend  
8 County, or another political subdivision and used for a public  
9 purpose; or

10 (5) a tract that is owned in fee simple by a community  
11 services association or property owners' association and that is  
12 not leased to a person who is not exempt under this chapter. (Loc.  
13 Gov. Code, Sec. 376.129(d).)

14 Source Law

15 (d) The district may not impose an impact fee or  
16 assessment under Chapter 375 on the following types of  
17 property without the consent of the owner:

18 (1) a condominium for which the owner  
19 meets all the requirements to claim a homestead  
20 exemption, a single-family detached residential  
21 property, or a residential duplex, triplex, or  
22 quadraplex;

23 (2) a tract consistently and continuously  
24 used for religious worship or a school that is  
25 maintained or owned by or affiliated with a religious  
26 organization or for a use ancillary to and in keeping  
27 with the operation of a full-service church or school  
28 affiliated with a religious organization;

29 (3) a tract owned by the state or the  
30 United States and used for a public purpose;

31 (4) a tract owned by the municipality,  
32 county, or another political subdivision and used for  
33 a public purpose; and

34 (5) a tract that is owned in fee simple by  
35 a community services association or property owners'  
36 association and is not leased to a person who is not  
37 exempted by this subchapter.

38 Revised Law

39 Sec. 3804.158. OBLIGATIONS; APPROVAL BY CITY OF SUGAR LAND.

40 (a) The district may issue bonds or other obligations payable in  
41 whole or in part from ad valorem taxes, assessments, impact fees,  
42 revenue, grants, or other money of the district, or any combination  
43 of those sources of money, to pay for any authorized purpose of the  
44 district.

45 (b) In exercising the district's borrowing power, the

1 district may issue a bond or other obligation in the form of a bond,  
2 note, certificate of participation or other instrument evidencing a  
3 proportionate interest in payments to be made by the district, or  
4 other type of obligation.

5 (c) Except as provided by Subsection (d), the district must  
6 obtain the approval of the City of Sugar Land:

7 (1) for the issuance of a bond for each improvement  
8 project; and

9 (2) of the plans and specifications of the improvement  
10 project to be financed by the bond.

11 (d) If the district obtains the approval of the City of  
12 Sugar Land of a capital improvements budget for a specified period  
13 not to exceed five years, the district may finance the capital  
14 improvements and issue bonds specified in the budget without  
15 further approval from the City of Sugar Land. (Loc. Gov. Code,  
16 Secs. 376.128(a), (b), (c), (d).)

17 Source Law

18 Sec. 376.128. BONDS. (a) The district may  
19 issue bonds or other obligations payable in whole or in  
20 part from ad valorem taxes, assessments, impact fees,  
21 revenues, grants, or other money of the district, or  
22 any combination of those sources of money, to pay for  
23 any authorized purpose of the district.

24 (b) Bonds or other obligations of the district  
25 may be issued in the form of bonds, notes, certificates  
26 of participation, including other instruments  
27 evidencing a proportionate interest in payments to be  
28 made by the district, or other obligations that are  
29 issued in the exercise of the district's borrowing  
30 power and may be issued in bearer or registered form or  
31 not represented by an instrument but the transfer of  
32 which is registered on books maintained by or on behalf  
33 of the district.

34 (c) Except as provided by Subsection (d), the  
35 district must obtain the municipality's approval of:

36 (1) the issuance of bonds for an  
37 improvement project; and

38 (2) the plans and specifications of the  
39 improvement project to be financed by the bonds.

40 (d) If the district obtains the municipality's  
41 approval of a capital improvements budget for a  
42 specified period not to exceed five years, the  
43 district may finance the capital improvements and  
44 issue bonds specified in the budget without further  
45 municipal approval.

46 Revisor's Note

47 (1) Section 376.128(b), Local Government Code,

1 states that obligations "may be issued in bearer or  
2 registered form or not represented by an instrument  
3 but the transfer of which is registered on books  
4 maintained by or on behalf of the district." The  
5 revised law omits the quoted language as unnecessary  
6 because it substantively duplicates Sections  
7 1201.022(a)(2) and 1201.023, Government Code. Section  
8 1201.022(a)(2) permits bearer or registered form.  
9 Section 1201.023 permits uncertificated book entry.  
10 Those sections apply to obligations issued under  
11 Section 376.128, Local Government Code, by application  
12 of Section 1201.002, Government Code.

13 (2) Section 376.128(e), Local Government Code,  
14 provides that, before issuing bonds the district must  
15 submit the bonds and the record of the district's bond  
16 proceedings to the attorney general for approval. The  
17 revised law omits Section 376.128(e) as unnecessary  
18 because it substantively duplicates Section 1202.003,  
19 Government Code. That section applies to bonds issued  
20 under Section 376.128, Local Government Code, by  
21 application of Section 1202.001, Government Code. The  
22 omitted law reads:

23 (e) Before the district issues bonds,  
24 the district shall submit the bonds and the  
25 record of proceedings of the district  
26 relating to authorization of the bonds to  
27 the attorney general for approval as  
28 provided by Chapter 1202, Government Code.

29 Revised Law

30 Sec. 3804.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
31 addition to the elections required under Subchapter L, Chapter 375,  
32 Local Government Code, the district must hold an election in the  
33 manner provided by that subchapter to obtain voter approval before  
34 the district may:

- 35 (1) impose a maintenance tax; or  
36 (2) issue a bond payable from ad valorem taxes or

1 assessments.

2 (b) The board may submit multiple purposes in a single  
3 proposition at an election.

4 (c) The board may not call an election under this chapter  
5 unless a written petition requesting an election is filed with the  
6 board. The petition must be signed by:

7 (1) the owners of a majority of the assessed value of  
8 real property in the district according to the most recent  
9 certified tax appraisal roll for Fort Bend County;

10 (2) the owners of the majority of the surface area of  
11 real property in the district, according to the most recent  
12 certified tax appraisal roll for Fort Bend County, excluding roads,  
13 streets, highways, and utility rights-of-way, other public areas,  
14 and any other property exempt from assessment under this chapter;  
15 or

16 (3) at least 50 owners of land in the district, if more  
17 than 50 persons own property in the district according to the most  
18 recent certified tax appraisal roll for Fort Bend County. (Loc.  
19 Gov. Code, Sec. 376.131.)

20 Source Law

21 Sec. 376.131. ELECTIONS. (a) In addition to  
22 the elections the district must hold under Subchapter  
23 L, Chapter 375, the district shall hold an election in  
24 the manner provided by that subchapter to obtain voter  
25 approval before the district imposes a maintenance tax  
26 or issues bonds payable from ad valorem taxes or  
27 assessments.

28 (b) The board may submit multiple purposes in a  
29 single proposition at an election.

30 (c) The board may not call an election under  
31 this subchapter unless a written petition requesting  
32 an election has been filed with the board. The  
33 petition must be signed by:

34 (1) the owners of a majority of the  
35 assessed value of real property in the district as  
36 determined by the most recent certified county  
37 property tax rolls;

38 (2) the owners of the majority of the  
39 surface area of real property in the district, as  
40 determined by the most recent certified county  
41 property tax rolls, excluding roads, streets,  
42 highways, and utility rights-of-way, other public  
43 areas, and any other property exempt from assessment  
44 under this chapter; or

45 (3) at least 50 persons who own land in the  
46 district, if there are more than 50 persons who own  
47 property in the district as determined by the most

1 recent certified county property tax rolls.

2 Revisor's Note

3 Section 376.131(c), Local Government Code,  
4 refers to "the most recent certified [Fort Bend]  
5 county property tax rolls." The revised law  
6 substitutes a reference to "the most recent certified  
7 tax appraisal roll for Fort Bend County" for the reason  
8 stated in the revisor's note to Section 3804.151.

9 Revisor's Note  
10 (End of Subchapter)

11 Section 376.132, Local Government Code, grants  
12 the district the power to impose impact fees as  
13 provided by Subchapter G, Chapter 375, Local  
14 Government Code. The revised law omits the section as  
15 unnecessary. Section 376.117, Local Government Code  
16 (revised in this chapter as Section 3804.007),  
17 provides that Chapter 375, Local Government Code,  
18 applies to the district. Therefore, it is not  
19 necessary to revise statutes that merely grant the  
20 district powers under that chapter. The omitted law  
21 reads:

22 Sec. 376.132. IMPACT FEES. The  
23 district may impose an impact fee for an  
24 authorized purpose as provided by  
25 Subchapter G, Chapter 375.

26 [Sections 3804.160-3804.200 reserved for expansion]

27 SUBCHAPTER E. DISSOLUTION

28 Revised Law

29 Sec. 3804.201. DISSOLUTION OF DISTRICT. (a) The district  
30 may be dissolved as provided by Subchapter M, Chapter 375, Local  
31 Government Code, except that the dissolution must be approved by:

32 (1) a three-fourths vote of the board; and

33 (2) a two-thirds vote of the City of Sugar Land's  
34 governing body.

35 (b) Despite this section and Section 375.264, Local  
36 Government Code, the district may be dissolved as provided by

1 Subchapter M, Chapter 375, Local Government Code, if the district  
2 has debt. If the district has debt when it is dissolved, the  
3 district shall remain in existence solely for the purpose of  
4 discharging its bonds or other obligations according to their  
5 terms. (Loc. Gov. Code, Sec. 376.134.)

6 Source Law

7 Sec. 376.134. DISSOLUTION OF DISTRICT. (a) The  
8 district may be dissolved as provided by Subchapter M,  
9 Chapter 375, except that a dissolution must be  
10 approved by:

- 11 (1) a three-fourths vote of the board of  
12 directors; and  
13 (2) a two-thirds vote of the  
14 municipality's governing body.

15 (b) Notwithstanding this section and Section  
16 375.264, a district that has debt may be dissolved as  
17 provided by Subchapter M, Chapter 375. If the district  
18 has debt and is dissolved, the district shall remain in  
19 existence solely for the limited purpose of  
20 discharging its bonds or other obligations according  
21 to their terms.

22 CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

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34 SUBCHAPTER B. BOARD OF DIRECTORS

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38 [Sections 3805.053-3805.100 reserved for expansion]

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20		CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT	
21		SUBCHAPTER A. GENERAL PROVISIONS	
22		<u>Revised Law</u>	
23	Sec. 3805.001.	DEFINITIONS. In this chapter:	
24		(1) "Board" means the board of directors of the	
25		district.	
26		(2) "District" means the Upper Kirby Management	
27		District. (Loc. Gov. Code, Secs. 376.153(1), (2).)	
28		<u>Source Law</u>	
29	Sec. 376.153.	DEFINITIONS. In this	
30		subchapter:	
31		(1) "Board" means the board of directors	
32		of the district.	
33		(2) "District" means the Upper Kirby	
34		Management District.	
35		<u>Revisor's Note</u>	
36		Sections 376.153(3) and (4), Local Government	

1 Code, respectively define "municipality" as the City  
2 of Houston and "county" as Harris County. The revised  
3 law omits the definitions for ease of understanding.  
4 Throughout this chapter, the revised law instead  
5 refers to Harris County or the City of Houston, unless  
6 the context clearly shows that the term "county" or  
7 "municipality" refers generally to any county or  
8 municipality. The omitted law reads:

9 (3) "Municipality" means the  
10 City of Houston, Texas.

11 (4) "County" means Harris  
12 County, Texas.

13 Revised Law

14 Sec. 3805.002. UPPER KIRBY MANAGEMENT DISTRICT. A special  
15 district known as the "Upper Kirby Management District" is a  
16 governmental agency and political subdivision of this state. (Loc.  
17 Gov. Code, Sec. 376.151(a).)

18 Source Law

19 Sec. 376.151. CREATION OF DISTRICT. (a) A  
20 special district to be known as the "Upper Kirby  
21 Management District" exists as a governmental agency,  
22 body politic and corporate, and political subdivision  
23 of the state.

24 Revisor's Note

25 (1) Section 376.151(a), Local Government Code,  
26 provides that the Upper Kirby Management District is a  
27 "governmental agency, body politic and corporate, and  
28 political subdivision of the state." The revised law  
29 omits "body politic and corporate" because the meaning  
30 of those words is included in the meaning of  
31 "governmental agency" or "political subdivision of  
32 this state."

33 (2) Section 376.151(b), Local Government Code,  
34 grants the board the power to change the name of the  
35 district by resolution. The revised law omits the  
36 section because it duplicates a power granted by  
37 Section 375.096(d), Local Government Code. Section

1 376.160, Local Government Code (revised in this  
2 chapter as Section 3805.101), provides that the  
3 district has the powers of a district created under  
4 Chapter 375, Local Government Code. Therefore, it is  
5 not necessary to revise statutes that merely grant the  
6 district powers under that chapter. The omitted law  
7 reads:

8 (b) The name of the district may be  
9 changed by resolution of the board.

10 Revised Law

11 Sec. 3805.003. PURPOSE; DECLARATION OF INTENT. (a) The  
12 creation of the district is essential to accomplish the purposes of  
13 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
14 Texas Constitution, and other public purposes stated in this  
15 chapter. By creating the district and in authorizing Harris  
16 County, the City of Houston, and other political subdivisions to  
17 contract with the district, the legislature has established a  
18 program to accomplish the public purposes set out in Section 52-a,  
19 Article III, Texas Constitution.

20 (b) The creation of the district is necessary to promote,  
21 develop, encourage, and maintain employment, commerce,  
22 transportation, housing, tourism, recreation, the arts,  
23 entertainment, economic development, safety, and the public  
24 welfare in the area traversed by Kirby Drive in the city of Houston.

25 (c) This chapter and the creation of the district may not be  
26 interpreted to relieve Harris County or the City of Houston from  
27 providing the level of services provided as of September 1, 1997, to  
28 the area in the district or to release the county or the city from  
29 the obligations of each entity to provide services to that area.  
30 The district is created to supplement and not to supplant the county  
31 or city services provided in the area in the district. (Loc. Gov.  
32 Code, Secs. 376.151(c), 376.152.)

33 Source Law

34 [Sec. 376.151]

35 (c) The creation of the district is essential to

1 accomplish the purposes of Section 52, Article III,  
2 Section 59, Article XVI, and Section 52-a, Article  
3 III, Texas Constitution, and other public purposes  
4 stated in this subchapter.

5 Sec. 376.152. DECLARATION OF INTENT. (a) The  
6 creation of the district is necessary to promote,  
7 develop, encourage, and maintain employment,  
8 commerce, transportation, housing, tourism,  
9 recreation, arts, entertainment, economic  
10 development, safety, and the public welfare in the  
11 area traversed by Kirby Drive in the municipality.

12 (b) The creation of the district and this  
13 legislation are not to be interpreted to relieve the  
14 county or the municipality from providing the level of  
15 services, as of September 1, 1997, to the area in the  
16 district or to release the county or the municipality  
17 from the obligations each entity has to provide  
18 services to that area. The district is created to  
19 supplement and not supplant the municipal or county  
20 services provided in the area in the district.

21 (c) By creating the district and in authorizing  
22 the municipality, county, and other political  
23 subdivisions to contract with the district, the  
24 legislature has established a program to accomplish  
25 the public purposes set out in Section 52-a, Article  
26 III, Texas Constitution.

27 Revised Law

28 Sec. 3805.004. FINDINGS OF BENEFIT AND PUBLIC  
29 PURPOSE. (a) The district is created to serve a public use and  
30 benefit.

31 (b) All land and other property included in the district  
32 will benefit from the improvements and services to be provided by  
33 the district under powers conferred by Sections 52 and 52-a,  
34 Article III, and Section 59, Article XVI, Texas Constitution, and  
35 other powers granted under this chapter.

36 (c) Each improvement project or service authorized by this  
37 chapter is essential to carry out a public purpose.

38 (d) The creation of the district is in the public interest  
39 and is essential to:

40 (1) further the public purposes of developing and  
41 diversifying the economy of the state;

42 (2) eliminate unemployment and underemployment; and

43 (3) develop or expand transportation and commerce.

44 (e) The district will:

45 (1) promote the health, safety, and general welfare of  
46 residents, employers, employees, visitors, and consumers in the  
47 district, and of the public;

1 (2) provide needed funding for the Kirby Drive  
2 vicinity of the city of Houston to preserve, maintain, and enhance  
3 the economic health and vitality of the area as a community and  
4 business center;

5 (3) promote the health, safety, welfare, and enjoyment  
6 of the public by providing public art and pedestrian ways and by  
7 landscaping and developing certain areas in the district, which are  
8 necessary for the restoration, preservation, and enhancement of  
9 scenic and aesthetic beauty;

10 (4) promote and benefit commercial development and  
11 commercial areas in the Kirby Drive vicinity of the city of Houston;  
12 and

13 (5) promote and develop public transportation and  
14 pedestrian facilities and systems using new and alternative means  
15 that are attractive, safe, and convenient, including securing  
16 expanded and improved transportation and pedestrian facilities and  
17 systems, to:

18 (A) address the problem of traffic congestion in  
19 the district, the need to control traffic and improve pedestrian  
20 safety, and the limited availability of money; and

21 (B) benefit the land and other property in the  
22 district and the residents, employers, employees, visitors, and  
23 consumers in the district and the public.

24 (f) Pedestrian ways along or across a street, whether at  
25 grade or above or below the surface, and street lighting, street  
26 landscaping, and street art objects are parts of and necessary  
27 components of a street and are considered to be a street or road  
28 improvement.

29 (g) The district will not act as the agent or  
30 instrumentality of any private interest even though the district  
31 will benefit many private interests as well as the public. (Loc.  
32 Gov. Code, Sec. 376.156.)

33 Source Law

34 Sec. 376.156. FINDINGS OF BENEFIT AND PUBLIC

1 PURPOSE. (a) All the land and other property  
2 included in the district will be benefited by the  
3 improvements and services to be provided by the  
4 district under powers conferred by Section 52, Article  
5 III, Section 59, Article XVI, and Section 52-a,  
6 Article III, Texas Constitution, and other powers  
7 granted under this subchapter. The district is  
8 created to serve a public use and benefit.

9 (b) The creation of the district is in the  
10 public interest and is essential to:

11 (1) further the public purposes of the  
12 development and diversification of the economy of the  
13 state; and

14 (2) eliminate unemployment and  
15 underemployment and develop or expand transportation  
16 and commerce.

17 (c) The district will:

18 (1) promote the health, safety, and  
19 general welfare of residents, employers, employees,  
20 visitors, and consumers in the district and the  
21 general public;

22 (2) provide needed funding for the Kirby  
23 Drive vicinity of the municipality to preserve,  
24 maintain, and enhance the economic health and vitality  
25 of the area as a community and business center;

26 (3) promote the health, safety, welfare,  
27 and enjoyment of the public by providing public art and  
28 pedestrian ways and by landscaping and developing  
29 certain areas in the district, which are necessary for  
30 the restoration, preservation, and enhancement of  
31 scenic and aesthetic beauty;

32 (4) promote and benefit commercial  
33 development and commercial areas in the Kirby Drive  
34 vicinity of the municipality; and

35 (5) promote and develop public  
36 transportation and pedestrian facilities and systems  
37 by new and alternative means that are attractive,  
38 safe, and convenient, including securing expanded and  
39 improved transportation and pedestrian facilities and  
40 systems, to:

41 (A) address the:

42 (i) problem of traffic  
43 congestion in the district;

44 (ii) need for traffic control;

45 (iii) need to improve  
46 pedestrian safety; and

47 (iv) limited availability of  
48 money; and

49 (B) benefit the land and other  
50 property in the district and the residents, employers,  
51 employees, visitors, and consumers in the district and  
52 the general public.

53 (d) Pedestrian ways along or across a street,  
54 whether at grade or above or below the surface, and  
55 street lighting, street landscaping, and street art  
56 objects are parts of and necessary components of a  
57 street and are considered to be a street or road  
58 improvement.

59 (e) Each improvement project or service  
60 authorized by this subchapter is essential to carry  
61 out a public purpose.

62 (f) The district will not act as the agent or  
63 instrumentality of any private interest even though  
64 many private interests will be benefited by the  
65 district, as will the general public.

1 Revised Law

2 Sec. 3805.005. DISTRICT TERRITORY. (a) The district is  
3 composed of the territory described by Section 1, Chapter 1202,  
4 Acts of the 77th Legislature, Regular Session, 2001, amending  
5 former Section 376.154, Local Government Code, as that territory  
6 may have been modified under:

7 (1) Section 3805.105 or its predecessor statutes,  
8 former Section 376.124(b), Local Government Code, as added by  
9 Chapter 275, Acts of the 75th Legislature, Regular Session, 1997,  
10 and former Section 376.154(b), Local Government Code;

11 (2) Subchapter J, Chapter 49, Water Code; or

12 (3) other law.

13 (b) The boundaries and field notes of the district contained  
14 in Section 1, Chapter 1202, Acts of the 77th Legislature, Regular  
15 Session, 2001, amending former Section 376.154, Local Government  
16 Code, form a closure. A mistake in the field notes or in copying the  
17 field notes in the legislative process does not in any way affect:

18 (1) the district's organization, existence, and  
19 validity;

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

23 (3) the district's right to impose and collect an  
24 assessment or tax; or

25 (4) the legality or operation of the district or the  
26 board.

27 (c) A description of the district's boundaries shall be  
28 filed with the Texas Commission on Environmental Quality. The  
29 commission by order may correct a mistake in the description of the  
30 district's boundaries. (Loc. Gov. Code, Secs. 376.154(c), 376.155;  
31 New.)

32 Source Law

33 [Sec. 376.154]

34 (c) A current description of the district's  
35 boundaries shall be filed with the Texas Natural

1 Resource Conservation Commission. A mistake in the  
2 description of the district's boundaries may be  
3 corrected by order of the commission.

4 Sec. 376.155. FINDINGS RELATING TO  
5 BOUNDARIES. The boundaries and field notes of the  
6 district form a closure. If a mistake is made in the  
7 field notes or in copying the field notes in the  
8 legislative process, the mistake does not in any way  
9 affect the:

10 (1) organization, existence, and validity  
11 of the district;

12 (2) right of the district to issue any type  
13 of bonds or refunding bonds for a purpose for which the  
14 district is created or to pay the principal of and  
15 interest on the bonds;

16 (3) right of the district to impose and  
17 collect assessments or taxes; or

18 (4) legality or operation of the district  
19 or governing body.

20 Revisor's Note

21 (1) Section 376.154(c), Local Government Code,  
22 refers to the "Texas Natural Resource Conservation  
23 Commission." The name of the Texas Natural Resource  
24 Conservation Commission was changed to "Texas  
25 Commission on Environmental Quality" by Section 18.01,  
26 Chapter 965, Acts of the 77th Legislature, Regular  
27 Session, 2001. The revised law is drafted  
28 accordingly.

29 (2) The revision of the law governing the Upper  
30 Kirby Management District does not revise the  
31 statutory language describing the territory of the  
32 district to avoid the lengthy recitation of the  
33 description and because that description may not be  
34 accurate on the effective date of the revision or at  
35 the time of a later reading. For the reader's  
36 convenience, the revised law includes a reference to  
37 the statutory description of the district's territory  
38 and references to statutory authority to change the  
39 district's territory under Section 376.154(b), Local  
40 Government Code (revised in this chapter as Section  
41 3805.105), and under Subchapter J, Chapter 49, Water  
42 Code. Sections 375.043 and 375.044, Local Government  
43 Code, which apply to the district under Section

1 376.154(b), Local Government Code (revised in this  
2 chapter as Section 3805.105), provide that a  
3 management district may annex or exclude territory in  
4 the manner provided by Chapter 54, Water Code.  
5 Sections 54.701 through 54.727, Water Code, which  
6 provided for the annexation or exclusion of territory  
7 by a municipal utility district, were repealed by  
8 Section 43, Chapter 715, Acts of the 74th Legislature,  
9 Regular Session, 1995. Section 2 of that act added  
10 Chapter 49, Water Code, including Subchapter J of that  
11 chapter, which now provides for the annexation or  
12 exclusion of territory by a municipal utility  
13 district; the references in Sections 375.043 and  
14 375.044, Local Government Code, to the repealed  
15 annexation and exclusion provisions in Chapter 54,  
16 Water Code, may be considered to be references to the  
17 similar provisions in Chapter 49, Water Code, and the  
18 revised law reflects this change. The revised law also  
19 includes a reference to the general authority of the  
20 legislature to enact other laws to change the  
21 district's territory.

#### 22 Revised Law

23 Sec. 3805.006. TORT LIABILITY. The district is a  
24 governmental unit under Chapter 101, Civil Practice and Remedies  
25 Code, and the operations of the district are essential government  
26 functions and are not proprietary functions for any purpose,  
27 including the application of Chapter 101, Civil Practice and  
28 Remedies Code. (Loc. Gov. Code, Sec. 376.162.)

#### 29 Source Law

30 Sec. 376.162. TORT CLAIMS. (a) The district  
31 is a governmental unit for purposes of Chapter 101,  
32 Civil Practice and Remedies Code.

33 (b) The operations of the district are  
34 considered for all purposes, including the application  
35 of Chapter 101, Civil Practice and Remedies Code, to be  
36 essential governmental functions and not proprietary  
37 functions.

1 Revised Law

2 Sec. 3805.007. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
3 any part of the area of the district is eligible to be included in a  
4 tax increment reinvestment zone created by the City of Houston  
5 under Chapter 311, Tax Code. (Loc. Gov. Code, Sec. 376.169.)

6 Source Law

7 Sec. 376.169. REINVESTMENT ZONES. All or any  
8 part of the area of the district is eligible to be  
9 included in a tax incremental reinvestment zone  
10 created by the municipality under Chapter 311, Tax  
11 Code.

12 Revised Law

13 Sec. 3805.008. RELATION TO OTHER LAW. This chapter  
14 prevails over any provision of general law, including a law to which  
15 this chapter refers, that is in conflict with or is inconsistent  
16 with this chapter. (Loc. Gov. Code, Sec. 376.161 (part).)

17 Source Law

18 Sec. 376.161. RELATION TO OTHER LAW. If any  
19 provision of general law, including a law referenced  
20 in this subchapter, is in conflict with or is  
21 inconsistent with this subchapter, this subchapter  
22 prevails. . . .

23 Revisor's Note

24 Section 376.161, Local Government Code, provides  
25 for the adoption and incorporation by reference of  
26 laws to which Subchapter E, Chapter 376, Local  
27 Government Code, refers. The revised law omits the  
28 provision as unnecessary. Because this chapter  
29 references the laws that apply to the district, it is  
30 not necessary to duplicate the substance of those laws  
31 in this section by means of adoption and  
32 incorporation. The omitted law reads:

33 Sec. 376.161. . . . Any law  
34 referenced in this subchapter that is not in  
35 conflict or inconsistent with this  
36 subchapter is adopted and incorporated by  
37 reference.

38 Revised Law

39 Sec. 3805.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
40 chapter shall be liberally construed in conformity with the

1 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
2 376.157.)

3 Source Law

4 Sec. 376.157. CONSTRUCTION OF SUBCHAPTER. This  
5 subchapter shall be liberally construed in conformity  
6 with the findings and purposes stated in this  
7 subchapter.

8 [Sections 3805.010-3805.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Revised Law

11 Sec. 3805.051. BOARD OF DIRECTORS; TERMS. (a) The  
12 district is governed by a board of five directors who serve  
13 staggered terms of four years.

14 (b) The board by resolution may increase or decrease the  
15 number of directors on the board, but only if a majority of the  
16 board finds that it is in the best interest of the district to do so.

17 The board may not:

18 (1) increase the number of directors to more than  
19 nine; or

20 (2) decrease the number of directors to fewer than  
21 five.

22 (c) Sections 49.053, 49.054, 49.056, 49.057, 49.058, and  
23 49.060, Water Code, apply to the board.

24 (d) Subchapter D, Chapter 375, Local Government Code,  
25 applies to the board to the extent that subchapter does not conflict  
26 with this chapter. (Loc. Gov. Code, Sec. 376.158.)

27 Source Law

28 Sec. 376.158. BOARD OF DIRECTORS IN  
29 GENERAL. (a) Except as provided by this subsection,  
30 the district is governed by a board of five directors.  
31 Directors serve staggered four-year terms. The board  
32 by resolution may increase or decrease the number of  
33 directors to not more than nine and not fewer than five  
34 directors on a finding by a majority of the board that  
35 the change in the number of directors is in the best  
36 interest of the district.

37 (b) Sections 49.053, 49.054, 49.056 through  
38 49.058, and 49.060, Water Code, apply to the board.

39 (c) Subchapter D, Chapter 375, applies to the  
40 board to the extent that subchapter does not conflict  
41 with this subchapter.

1 Revised Law

2 Sec. 3805.052. APPOINTMENT OF DIRECTORS ON INCREASE IN  
3 BOARD SIZE. If the board increases the number of directors under  
4 Section 3805.051, the board shall appoint qualified persons to fill  
5 the new director positions and shall provide for staggering the  
6 terms of the directors serving in the new positions. On expiration  
7 of the term of a director appointed under this section, a succeeding  
8 director shall be appointed and qualified as provided by Subchapter  
9 D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
10 376.159(b).)

11 Source Law

12 (b) The existing board shall appoint qualified  
13 persons to fill any new positions on the board created  
14 by an increase in the number of directors under Section  
15 376.158(a) and shall provide for staggering the terms  
16 of directors serving in the new positions. On the  
17 expiration of the term of a director appointed under  
18 this subsection, a succeeding director shall be  
19 appointed and qualify as provided by Subsection (a).

20 Revisor's Note

21 Section 376.159(a), Local Government Code,  
22 provides that Subchapter D, Chapter 375, Local  
23 Government Code, governs the appointment and  
24 qualification of directors. Section 376.159(a), Local  
25 Government Code, also refers to a vacancy in the office  
26 of director "because of the death, resignation, or  
27 removal of a director" and provides for appointing a  
28 replacement. The revised law omits the provision  
29 relating to the application of Subchapter D, Chapter  
30 375, Local Government Code, as unnecessary because  
31 Section 376.158(c), Local Government Code (revised in  
32 this chapter as Section 3805.051(d)), provides that  
33 Subchapter D applies to the board. The revised law  
34 omits the provision relating to a vacancy in office and  
35 the appointment of a replacement because it  
36 substantively duplicates Section 375.066, Local  
37 Government Code, which is located in Subchapter D of

1 that chapter. Therefore, it is not necessary to revise  
2 a statute that duplicates a provision in that  
3 subchapter regarding the appointment of directors.  
4 Although Section 375.066 does not refer to "the death,  
5 resignation, or removal of a director," that language  
6 is unnecessary because it merely describes every  
7 manner in which a vacancy may occur without limiting in  
8 any way the board's duty to fill a vacancy. The omitted  
9 law reads:

10                   Sec. 376.159. APPOINTMENT                   OF  
11 DIRECTORS; VACANCY. (a) Directors shall  
12 be appointed and qualify in the manner  
13 provided by Subchapter D, Chapter 375. A  
14 vacancy in the office of director because of  
15 the death, resignation, or removal of a  
16 director shall be filled by the remaining  
17 members of the board by appointing a  
18 qualified person for the unexpired term.

19 [Sections 3805.053-3805.100 reserved for expansion]

20                   SUBCHAPTER C. POWERS AND DUTIES

21                                   Revised Law

22                   Sec. 3805.101. DISTRICT POWERS. The district has:

23                   (1) all powers necessary to accomplish the purposes  
24 for which the district was created;

25                   (2) the rights, powers, privileges, authority, and  
26 functions of a district created under Chapter 375, Local Government  
27 Code;

28                   (3) the powers, duties, and contracting authority  
29 specified by Subchapters H and I, Chapter 49, Water Code;

30                   (4) the powers given to a corporation under Section  
31 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
32 Texas Civil Statutes), including the power to own, operate,  
33 acquire, construct, lease, improve, and maintain the projects  
34 described by that section; and

35                   (5) the powers of a housing finance corporation  
36 created under Chapter 394, Local Government Code. (Loc. Gov. Code,  
37 Sec. 376.160 (part).)

1 Source Law

2 Sec. 376.160. POWERS AND DUTIES OF  
3 DISTRICT. The district has:

4 (1) all powers necessary or required to  
5 accomplish the purposes for which the district was  
6 created;

7 (2) the rights, powers, privileges,  
8 authority, and functions of a district created under  
9 Chapter 375;

10 (3) the powers, duties, and contracting  
11 authority specified in Subchapters H and I, Chapter  
12 49, Water Code;

13 (4) the powers given to a corporation  
14 under Section 4B, Development Corporation Act of 1979  
15 (Article 5190.6, Vernon's Texas Civil Statutes), and  
16 the power to own, operate, acquire, construct, lease,  
17 improve, and maintain projects described by that  
18 section;

19 (5) the power of a housing finance  
20 corporation created under Chapter 394;

21 . . .

22 Revisor's Note

23 Section 376.160, Local Government Code, refers to  
24 powers "necessary or required" to accomplish the  
25 purposes of the district. The revised law omits  
26 "required" because, in this context, "required" is  
27 included in the meaning of "necessary."

28 Revised Law

29 Sec. 3805.102. NONPROFIT CORPORATION. (a) The board by  
30 resolution may authorize the creation of a nonprofit corporation to  
31 assist and act for the district in implementing a project or  
32 providing a service authorized by this chapter.

33 (b) The nonprofit corporation:

34 (1) has each power of and is considered for purposes of  
35 this chapter to be a local government corporation created under  
36 Chapter 431, Transportation Code; and

37 (2) may implement any project and provide any service  
38 authorized by this chapter.

39 (c) The board shall appoint the board of directors of the  
40 nonprofit corporation. The board of directors of the nonprofit  
41 corporation shall serve in the same manner as, for the same term as,  
42 and on the same conditions as the board of directors of a local  
43 government corporation created under Chapter 431, Transportation  
44 Code. (Loc. Gov. Code, Sec. 376.163.)

1 Source Law

2 Sec. 376.163. NONPROFIT CORPORATION. (a) The  
3 board by resolution may authorize the creation of a  
4 nonprofit corporation to assist and act on behalf of  
5 the district in implementing a project or providing a  
6 service authorized by this subchapter.

7 (b) The board shall appoint the board of  
8 directors of a nonprofit corporation created under  
9 this section. The board of directors of the nonprofit  
10 corporation shall serve in the same manner as, for the  
11 same term as, and on the conditions of the board of  
12 directors of a local government corporation created  
13 under Chapter 431, Transportation Code.

14 (c) A nonprofit corporation created under this  
15 section has the powers of and is considered for  
16 purposes of this subchapter to be a local government  
17 corporation created under Chapter 431, Transportation  
18 Code.

19 (d) A nonprofit corporation created under this  
20 section may implement any project and provide any  
21 services authorized by this subchapter.

22 Revised Law

23 Sec. 3805.103. ELECTIONS. (a) District elections must be  
24 held in the manner provided by Subchapter L, Chapter 375, Local  
25 Government Code.

26 (b) The board may submit multiple purposes in a single  
27 proposition at an election. (Loc. Gov. Code, Sec. 376.166.)

28 Source Law

29 Sec. 376.166. ELECTIONS. (a) The district  
30 shall call and hold an election in the manner provided  
31 by Subchapter L, Chapter 375.

32 (b) The board may submit multiple purposes in a  
33 single proposition at an election.

34 Revisor's Note

35 Section 376.166(a), Local Government Code,  
36 requires the district "to call and hold an election" in  
37 the manner provided by Subchapter L, Chapter 375,  
38 Local Government Code. The revised law omits "call" as  
39 unnecessary because under the Election Code, "holding"  
40 an election necessarily includes "calling" the  
41 election.

42 Revised Law

43 Sec. 3805.104. CONTRACT FOR LAW ENFORCEMENT AND SECURITY  
44 SERVICES. The district may contract with:

45 (1) Harris County or the City of Houston for the county

1 or city to provide law enforcement and security services for a fee;  
2 and

3 (2) a private entity for the private entity to provide  
4 supplemental security services. (Loc. Gov. Code, Sec. 376.160  
5 (part).)

6 Source Law

7 Sec. 376.160. . . . The district has:

8 . . .  
9 (7) the power to contract with the  
10 municipality or county for the provision on a fee basis  
11 of law enforcement and security services by the county  
12 or municipality; and

13 (8) the power to contract with a private  
14 entity for the provision of supplemental security  
15 services.

16 Revised Law

17 Sec. 3805.105. ANNEXATION OR EXCLUSION OF TERRITORY. The  
18 district may annex or exclude land from the district in the manner  
19 provided by Subchapter C, Chapter 375, Local Government Code.  
20 (Loc. Gov. Code, Sec. 376.154(b).)

21 Source Law

22 (b) The district may annex or exclude land from  
23 the district in the manner provided by Subchapter C,  
24 Chapter 375, Local Government Code.

25 [Sections 3805.106-3805.150 reserved for expansion]

26 SUBCHAPTER D. FINANCIAL PROVISIONS

27 Revised Law

28 Sec. 3805.151. AUTHORITY TO IMPOSE ASSESSMENTS, AD VALOREM  
29 TAXES, AND IMPACT FEES. The district may impose, assess, charge, or  
30 collect an assessment, an ad valorem tax, an impact fee, or another  
31 fee in accordance with Chapter 49, Water Code, for a purpose  
32 specified by Chapter 375, Local Government Code, or as needed to  
33 exercise a power or function or to accomplish a purpose or duty for  
34 which the district was created. (Loc. Gov. Code, Sec. 376.160  
35 (part).)

36 Source Law

37 Sec. 376.160. . . . The district has:

38 . . .  
39 (6) the power to impose, assess, charge,  
40 or collect ad valorem taxes, assessments, impact fees,  
41 or other fees in accordance with Chapter 49, Water

1 Code, for a purpose specified in Chapter 375 or as  
2 necessary to accomplish a purpose, function, power, or  
3 duty for which the district is created;  
4 . . .

5 Revised Law

6 Sec. 3805.152. MAINTENANCE TAX. (a) If authorized at an  
7 election held in accordance with Section 3805.103, the district may  
8 impose an annual ad valorem tax on taxable property in the district  
9 to maintain, restore, replace, or operate the district and  
10 improvements that the district constructs or acquires or the  
11 district's facilities, works, or services.

12 (b) The board shall determine the tax rate. (Loc. Gov.  
13 Code, Sec. 376.167.)

14 Source Law

15 Sec. 376.167. MAINTENANCE TAX. (a) If  
16 authorized at an election held in accordance with  
17 Section 376.166, the district may impose and collect  
18 an annual ad valorem tax on taxable property in the  
19 district for the maintenance, restoration,  
20 replacement, or operation of the district and the  
21 improvements constructed or acquired by the district  
22 or the facilities, works, or services of the district.

23 (b) The board shall determine the tax rate.

24 Revisor's Note

25 Section 376.167, Local Government Code, provides  
26 that the district may "impose and collect" an ad  
27 valorem tax. The revised law omits the reference to  
28 "and collect" because "impose" is the term generally  
29 used in Title 1, Tax Code, and includes the collection  
30 of an ad valorem tax.

31 Revised Law

32 Sec. 3805.153. ASSESSMENTS CONSIDERED TAXES. For purposes  
33 of a title insurance policy issued under Chapter 9, Insurance Code,  
34 an assessment is a tax. (Loc. Gov. Code, Sec. 376.165(f).)

35 Source Law

36 (f) For purposes of a title insurance policy  
37 issued under Chapter 9, Insurance Code, an assessment  
38 is a tax.

39 Revised Law

40 Sec. 3805.154. LIENS FOR ASSESSMENTS; SUITS TO RECOVER  
41 ASSESSMENTS. (a) An assessment imposed on property under this

1 chapter is a personal obligation of the person who owns the property  
2 on January 1 of the year for which the assessment is imposed. If the  
3 person transfers title to the property, the person is not relieved  
4 of the obligation.

5 (b) On January 1 of the year for which an assessment is  
6 imposed on a property, a lien attaches to the property to secure the  
7 payment of the assessment and any interest accrued on the  
8 assessment. The lien has the same priority as a lien for district  
9 taxes.

10 (c) Not later than the fourth anniversary of the date on  
11 which a delinquent assessment became due, the district may file  
12 suit to foreclose the lien or to enforce the obligation for the  
13 assessment, or both, and for any interest accrued.

14 (d) In addition to recovering the amount of the assessment  
15 and any accrued interest, the district may recover reasonable  
16 costs, including attorney's fees, that the district incurs in  
17 foreclosing the lien or enforcing the obligation. The costs may not  
18 exceed an amount equal to 20 percent of the assessment and interest.

19 (e) If the district does not file a suit in connection with a  
20 delinquent assessment on or before the last date on which the  
21 district may file suit under Subsection (c), the assessment and any  
22 interest accrued is considered paid. (Loc. Gov. Code, Secs.  
23 376.165(a), (b), (c), (d), (e).)

#### 24 Source Law

25 Sec. 376.165. ASSESSMENTS. (a) An assessment  
26 imposed on property under this subchapter is a  
27 personal obligation of the person who owns the  
28 property on January 1 of the year for which the  
29 assessment is imposed. A person is not relieved of the  
30 obligation if the person transfers title to the  
31 property.

32 (b) On January 1 of the year for which an  
33 assessment under this subchapter is imposed on  
34 property, a lien attaches to the property to secure the  
35 payment of the assessment and any interest accrued on  
36 the assessment. The lien has the same priority as a  
37 lien for taxes of the district.

38 (c) Not later than the fourth anniversary after  
39 the date on which the assessment became due, the  
40 district may file suit to foreclose the lien on or  
41 enforce the personal obligation for, or both foreclose  
42 the lien on and enforce the personal obligation for, an  
43 assessment imposed under this subchapter that is not

1 paid in a timely manner and any interest accrued on  
2 that assessment.

3 (d) In addition to recovering the amount of the  
4 assessment and interest accrued on the assessment, if  
5 any, the district may recover in a suit filed under  
6 this section reasonable costs, including attorney's  
7 fees, incurred by the district in foreclosing the lien  
8 or enforcing the personal obligation in an amount not  
9 to exceed 20 percent of the delinquent assessment and  
10 interest.

11 (e) An assessment that is delinquent for more  
12 than four years after the date on which the assessment  
13 became due and any interest imposed on the assessment  
14 is considered paid if a suit is not filed before the  
15 period prescribed by Subsection (c).

16 Revised Law

17 Sec. 3805.155. PROPERTY OF ELECTRIC UTILITY EXEMPT FROM  
18 ASSESSMENT AND IMPACT FEES. The district may not impose an impact  
19 fee or assessment on the property, equipment, or facilities of an  
20 electric utility as defined by Section 31.002, Utilities Code.  
21 (Loc. Gov. Code, Sec. 376.170.)

22 Source Law

23 Sec. 376.170. EXEMPTION OF PUBLIC UTILITY FROM  
24 FEE OR ASSESSMENT. The district may not impose an  
25 impact fee or assessment on the property, equipment,  
26 or facilities of an electric utility as defined by  
27 Section 31.002, Utilities Code.

28 Revised Law

29 Sec. 3805.156. DEBT. The district may issue bonds, notes,  
30 or other debt obligations in accordance with Subchapters I and J,  
31 Chapter 375, Local Government Code, for a purpose specified by that  
32 chapter or as required to exercise a power or function or to  
33 accomplish a purpose or duty for which the district was created.  
34 (Loc. Gov. Code, Sec. 376.164.)

35 Source Law

36 Sec. 376.164. DEBT. The district may issue  
37 bonds, notes, or other debt obligations in accordance  
38 with Subchapters I and J, Chapter 375, for the purposes  
39 specified in that chapter or as may be required to  
40 accomplish the purposes, functions, powers, and duties  
41 for which the district is created.

42 [Sections 3805.157-3805.200 reserved for expansion]

43 SUBCHAPTER E. DISSOLUTION

44 Revised Law

45 Sec. 3805.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
46 DEBT. (a) The district may be dissolved as provided by Subchapter

1 M, Chapter 375, Local Government Code.

2 (b) Regardless of Section 375.264, Local Government Code,  
3 if the district has debt, the district may be dissolved as provided  
4 by Subchapter M, Chapter 375, Local Government Code. If the  
5 district has debt when it is dissolved, the district shall remain in  
6 existence solely for the purpose of discharging its bonds or other  
7 obligations according to their terms. (Loc. Gov. Code, Sec.  
8 376.168.)

9 Source Law

10 Sec. 376.168. DISSOLUTION OF DISTRICT. (a)  
11 The district may be dissolved as provided by  
12 Subchapter M, Chapter 375.

13 (b) Regardless of Section 375.264, a district  
14 that has debt may be dissolved as provided by  
15 Subchapter M, Chapter 375. If the district has debt  
16 and is dissolved, the district shall remain in  
17 existence solely for the purpose of discharging its  
18 bonds or other obligations according to their terms.

19 CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

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28 [Sections 3806.008-3806.050 reserved for expansion]

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32 [Sections 3806.053-3806.100 reserved for expansion]

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16 [Sections 3806.160-3806.200 reserved for expansion]

17 SUBCHAPTER E. DISSOLUTION

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19 OUTSTANDING DEBT . . . . . 298

20 CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Revised Law

23 Sec. 3806.001. DEFINITIONS. In this chapter:

24 (1) "Board" means the board of directors of the

25 district.

26 (2) "District" means the Harris County Improvement

27 District No. 2. (Loc. Gov. Code, Secs. 376.213(1), (3).)

28 Source Law

29 Sec. 376.213. DEFINITIONS. In this

30 subchapter:

31 (1) "Board" means the board of directors

32 of the district.

33 (3) "District" means the Harris County

34 Improvement District No. 2.

35 Revisor's Note

36 Sections 376.213(2) and (4), Local Government

1 Code, respectively define "county" as Harris County  
2 and "municipality" as the City of Houston. The revised  
3 law omits the definitions for ease of understanding.  
4 Throughout this chapter, the revised law instead  
5 refers to Harris County and the City of Houston, unless  
6 the context clearly shows that the term "county" or  
7 "municipality" refers generally to any county or  
8 municipality. The omitted law reads:

9 (2) "County" means Harris  
10 County, Texas.

11 (4) "Municipality" means the  
12 City of Houston, Texas.

13 Revised Law

14 Sec. 3806.002. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2. A  
15 special district known as the "Harris County Improvement District  
16 No. 2" is a governmental agency and political subdivision of this  
17 state. (Loc. Gov. Code, Sec. 376.211(a).)

18 Source Law

19 Sec. 376.211. CREATION OF DISTRICT. (a) A  
20 special district to be known as the "Harris County  
21 Improvement District No. 2" exists as a governmental  
22 agency, body politic and corporate, and political  
23 subdivision of the state.

24 Revisor's Note

25 (1) Section 376.211(a), Local Government Code,  
26 provides that the Harris County Improvement District  
27 No. 2 is a "governmental agency, body politic and  
28 corporate, and political subdivision of the state."  
29 The revised law omits "body politic and corporate"  
30 because the meaning of those words is included in the  
31 meaning of "governmental agency" or "political  
32 subdivision of the state."

33 (2) Section 376.211(b), Local Government Code,  
34 states that the board may change the name of the  
35 district by resolution. The revised law omits the  
36 section because it duplicates Section 375.096(d),  
37 Local Government Code. Section 376.217, Local

1 Government Code (revised in this chapter as Section  
2 3806.006), provides that Chapter 375, Local Government  
3 Code, applies to the district. Therefore, it is not  
4 necessary to revise statutes that duplicate provisions  
5 in that chapter. The omitted law reads:

6 (b) The name of the district may be  
7 changed by resolution of the board.

8 Revised Law

9 Sec. 3806.003. PURPOSE; DECLARATION OF INTENT. (a) The  
10 creation of the district is essential to accomplish the purposes of  
11 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
12 Texas Constitution, and other public purposes stated in this  
13 chapter. By creating the district and in authorizing Harris  
14 County, the City of Houston, and other political subdivisions to  
15 contract with the district, the legislature has established a  
16 program to accomplish the public purposes set out in Section 52-a,  
17 Article III, Texas Constitution.

18 (b) The creation of the district is necessary to promote,  
19 develop, encourage, and maintain employment, commerce,  
20 transportation, housing, tourism, recreation, the arts,  
21 entertainment, economic development, safety, and the public  
22 welfare in the Richmond Avenue area of Houston.

23 (c) This chapter and the creation of the district may not be  
24 interpreted to relieve Harris County or the City of Houston from  
25 providing the level of services provided as of September 1, 1997, to  
26 the area in the district or to release the county or the city from  
27 the obligations of each entity to provide services to that area.  
28 The district is created to supplement and not to supplant the county  
29 or city services provided in the area in the district. (Loc. Gov.  
30 Code, Secs. 376.211(c), 376.212.)

31 Source Law

32 [Sec. 376.211]

33 (c) The creation of the district is essential to  
34 accomplish the purposes of Section 52, Article III,  
35 Section 59, Article XVI, and Section 52-a, Article  
36 III, Texas Constitution, and other public purposes  
37 stated in this subchapter.



1 of the public by providing pedestrian ways and by landscaping and  
2 developing certain areas in the district, which are necessary for  
3 the restoration, preservation, and enhancement of scenic and  
4 aesthetic beauty.

5 (e) Pedestrian ways along or across a street, whether at  
6 grade or above or below the surface, and street lighting, street  
7 landscaping, and street art objects are parts of and necessary  
8 components of a street and are considered to be a street or road  
9 improvement.

10 (f) The district will not act as the agent or  
11 instrumentality of any private interest even though the district  
12 will benefit many private interests as well as the public. (Loc.  
13 Gov. Code, Sec. 376.216.)

14 Source Law

15 Sec. 376.216. FINDINGS OF BENEFIT AND PUBLIC  
16 PURPOSE. (a) All the land and other property  
17 included in the district will be benefited by the  
18 improvements and services to be provided by the  
19 district under powers conferred by Section 52, Article  
20 III, Section 59, Article XVI, and Section 52-a,  
21 Article III, Texas Constitution, and other powers  
22 granted under this subchapter, and the district is  
23 created to serve a public use and benefit.

24 (b) The creation of the district is in the  
25 public interest and is essential to:

26 (1) further the public purposes of the  
27 development and diversification of the economy of the  
28 state; and

29 (2) eliminate unemployment and  
30 underemployment and develop or expand transportation  
31 and commerce.

32 (c) The district will:

33 (1) promote the health, safety, and  
34 general welfare of residents, employers, employees,  
35 visitors, consumers in the district, and the general  
36 public;

37 (2) provide needed funding to preserve,  
38 maintain, and enhance the economic health and vitality  
39 of the area in the district as a community and business  
40 center; and

41 (3) further promote the health, safety,  
42 welfare, and enjoyment of the public by providing  
43 pedestrian ways and by landscaping and developing  
44 certain areas in the district, which are necessary for  
45 the restoration, preservation, and enhancement of  
46 scenic and aesthetic beauty.

47 (d) Pedestrian ways along or across a street,  
48 whether at grade or above or below the surface, and  
49 street lighting, street landscaping, and street art  
50 objects are parts of and necessary components of a  
51 street and are considered to be a street or road  
52 improvement.

53 (e) The district will not act as the agent or

1 instrumentality of any private interest even though  
2 many private interests will be benefited by the  
3 district, as will the general public.

4 Revised Law

5 Sec. 3806.005. DISTRICT TERRITORY. (a) The district is  
6 composed of the territory described by Section 1, Chapter 679, Acts  
7 of the 75th Legislature, Regular Session, 1997, enacting former  
8 Section 376.214, Local Government Code, as that territory may have  
9 been modified under:

10 (1) Subchapter J, Chapter 49, Water Code; or

11 (2) other law.

12 (b) The boundaries and field notes of the district contained  
13 in Section 1, Chapter 679, Acts of the 75th Legislature, Regular  
14 Session, 1997, enacting former Section 376.214, Local Government  
15 Code, form a closure. A mistake in the field notes or in copying the  
16 field notes in the legislative process does not in any way affect:

17 (1) the district's organization, existence, and  
18 validity;

19 (2) the district's right to issue any type of bond,  
20 including a refunding bond, for a purpose for which the district is  
21 created or to pay the principal of and interest on the bond;

22 (3) the district's right to impose and collect an  
23 assessment or tax; or

24 (4) the legality or operation of the district or the  
25 board. (Loc. Gov. Code, Sec. 376.215; New.)

26 Source Law

27 Sec. 376.215. FINDINGS RELATING TO  
28 BOUNDARIES. The boundaries and field notes of the  
29 district form a closure. If a mistake is made in the  
30 field notes or in copying the field notes in the  
31 legislative process, the mistake does not in any way  
32 affect the:

33 (1) organization, existence, and validity  
34 of the district;

35 (2) right of the district to issue any type  
36 of bonds or refunding bonds for the purposes for which  
37 the district is created or to pay the principal of and  
38 interest on the bonds;

39 (3) right of the district to impose and  
40 collect assessments or taxes; or

41 (4) legality or operation of the district  
42 or its governing body.

1 Revisor's Note

2 The revision of the law governing the Harris  
3 County Improvement District No. 2 does not revise the  
4 statutory language describing the territory of the  
5 district to avoid the lengthy recitation of the  
6 description and because that description may not be  
7 accurate on the effective date of the revision or at  
8 the time of a later reading. For the reader's  
9 convenience, the revised law includes a reference to  
10 the statutory description of the district's territory  
11 and a reference to statutory authority to change the  
12 district's territory under Subchapter J, Chapter 49,  
13 Water Code. Sections 375.043 and 375.044, Local  
14 Government Code, which apply to the district under  
15 Section 376.217, Local Government Code (revised in  
16 this chapter as Section 3806.006), provide that a  
17 management district may annex or exclude territory in  
18 the manner provided by Chapter 54, Water Code.  
19 Sections 54.701-54.727, Water Code, which provided for  
20 the annexation or exclusion of territory by a  
21 municipal utility district, were repealed by Section  
22 43, Chapter 715, Acts of the 74th Legislature, Regular  
23 Session, 1995. Section 2 of that act added Chapter 49,  
24 Water Code, including Subchapter J of that chapter,  
25 which now provides for the annexation or exclusion of  
26 territory by a municipal utility district; the  
27 references in Sections 375.043 and 375.044, Local  
28 Government Code, to the repealed annexation and  
29 exclusion provisions in Chapter 54, Water Code, may be  
30 considered to be references to the similar provisions  
31 in Chapter 49, Water Code, and the revised law reflects  
32 this change. The revised law also includes a reference  
33 to the general authority of the legislature to enact  
34 other laws to change the district's territory.

1 Revised Law

2 Sec. 3806.006. APPLICABILITY OF OTHER LAW. Except as  
3 otherwise provided by this chapter, Chapter 375, Local Government  
4 Code, applies to the district. (Loc. Gov. Code, Sec. 376.217.)

5 Source Law

6 Sec. 376.217. APPLICATION OF OTHER LAW. Except  
7 as otherwise provided by this subchapter, Chapter 375  
8 applies to the district.

9 Revised Law

10 Sec. 3806.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
11 chapter shall be liberally construed in conformity with the  
12 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
13 376.218.)

14 Source Law

15 Sec. 376.218. CONSTRUCTION OF SUBCHAPTER. This  
16 subchapter shall be liberally construed in conformity  
17 with the findings and purposes stated in this  
18 subchapter.

19 [Sections 3806.008-3806.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Revised Law

22 Sec. 3806.051. BOARD OF DIRECTORS; TERMS. (a) The  
23 district is governed by a board of nine directors who serve  
24 staggered terms of four years, with four or five directors' terms  
25 expiring June 1 of each odd-numbered year.

26 (b) The board by resolution may increase or decrease the  
27 number of directors on the board, but only if it is in the best  
28 interest of the district to do so. The board may not:

29 (1) increase the number of directors to more than 30;

30 or

31 (2) decrease the number of directors to fewer than  
32 nine. (Loc. Gov. Code, Sec. 376.219(a).)

33 Source Law

34 Sec. 376.219. BOARD OF DIRECTORS IN  
35 GENERAL. (a) The district is governed by a board of  
36 nine directors who serve staggered terms of four years  
37 with four or five members' terms expiring June 1 of  
38 each odd-numbered year. The board may increase or  
39 decrease the number of directors on the board by

1 resolution, provided that it is in the best interest of  
2 the district to do so and that the board consists of  
3 not fewer than nine and not more than 30 directors.

4 Revisor's Note

5 Section 376.219(b), Local Government Code,  
6 provides that Subchapter D, Chapter 375, Local  
7 Government Code, applies to the board of directors and  
8 to action by the board to the extent that Subchapter D  
9 does not conflict with Subchapter F, Chapter 376,  
10 Local Government Code (revised as this chapter). The  
11 revised law omits this provision because it duplicates  
12 Section 376.217, Local Government Code (revised in  
13 this chapter as Section 3806.006), Section 376.224,  
14 Local Government Code (revised in this chapter as  
15 Section 3806.102), and Section 376.221, Local  
16 Government Code (revised in this chapter as Section  
17 3806.101). Revised Section 3806.006 provides that  
18 Chapter 375, Local Government Code, applies to the  
19 district except as otherwise provided by this chapter,  
20 and revised Section 3806.102 provides that this  
21 chapter prevails over any law to which Section  
22 3806.101 refers that is in conflict with or  
23 inconsistent with this chapter. Revised Section  
24 3806.101 refers to Chapter 375, Local Government Code.  
25 The omitted law reads:

26 (b) Subchapter D, Chapter 375,  
27 applies to the board to the extent that  
28 subchapter does not conflict with this  
29 subchapter. . . . Directors may vote on  
30 any matter authorized by Subchapter D,  
31 Chapter 375, and action may be taken by the  
32 board only if it is approved in the manner  
33 prescribed by Subchapter D, Chapter 375.

34 Revised Law

35 Sec. 3806.052. APPOINTMENT OF DIRECTORS. The mayor and  
36 members of the governing body of the City of Houston shall appoint  
37 directors from persons recommended by the board who meet the  
38 requirements of Subchapter D, Chapter 375, Local Government Code.  
39 (Loc. Gov. Code, Sec. 376.220 (part).)

1 Source Law

2 Sec. 376.220. APPOINTMENT AND REMOVAL OF  
3 DIRECTORS; VACANCY. The mayor and members of the  
4 governing body of the municipality shall appoint  
5 directors from persons recommended by the board that  
6 meet the requirements of Subchapter D, Chapter  
7 375. . . .

8 Revisor's Note

9 Section 376.220, Local Government Code, refers to  
10 a vacancy in the office of director "because of the  
11 death, resignation, or removal of a director" and  
12 provides for appointing a replacement. The revised  
13 law omits this provision because it substantively  
14 duplicates Section 375.066, Local Government Code.  
15 Section 376.217, Local Government Code (revised in  
16 this chapter as Section 3806.006), provides that  
17 Chapter 375, Local Government Code, applies to the  
18 district. Therefore, it is not necessary to revise  
19 statutes that duplicate provisions in that chapter.  
20 Although Section 375.066 does not refer to "the death,  
21 resignation, or removal of a director," that language  
22 is unnecessary because the quoted language merely  
23 describes every manner in which a vacancy may occur  
24 without limiting in any way the board's duty to fill a  
25 vacancy. The omitted law reads:

26 Sec. 376.220. . . . A vacancy in  
27 the office of director because of the death,  
28 resignation, or removal of a director shall  
29 be filled by the remaining members of the  
30 board by appointing a qualified person for  
31 the unexpired term.

32 [Sections 3806.053-3806.100 reserved for expansion]

33 SUBCHAPTER C. POWERS AND DUTIES

34 Revised Law

35 Sec. 3806.101. DISTRICT POWERS. The district has:

36 (1) all powers necessary to accomplish the purposes  
37 for which the district was created;

38 (2) the rights, powers, privileges, authority, and  
39 functions of a district created under Chapter 375, Local Government

1 Code; and

2 (3) the powers given to a corporation under Section  
3 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
4 Texas Civil Statutes), and the power to own, operate, acquire,  
5 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
6 Sec. 376.221 (part).)

7 Source Law

8 Sec. 376.221. POWERS OF DISTRICT. The district  
9 has:

10 (1) all powers necessary or required to  
11 accomplish the purposes for which the district was  
12 created;

13 (2) the rights, powers, privileges,  
14 authority, and functions of a district created under  
15 Chapter 375;

16 (3) the powers given to a corporation  
17 under Section 4B, Development Corporation Act of 1979  
18 (Article 5190.6, Vernon's Texas Civil Statutes), and  
19 the power to own, operate, acquire, construct, lease,  
20 improve, and maintain projects;

21 . . .

22 Revisor's Note

23 Section 376.221(1), Local Government Code,  
24 refers to powers "necessary or required" to accomplish  
25 the purposes of the district. The revised law omits  
26 "required" because, in this context, it is included in  
27 the meaning of "necessary."

28 Revised Law

29 Sec. 3806.102. RELATION TO OTHER LAW. This chapter  
30 prevails over any law to which Section 3806.101 refers that  
31 conflicts with or is inconsistent with this chapter. (Loc. Gov.  
32 Code, Sec. 376.224 (part).)

33 Source Law

34 Sec. 376.224. RELATION TO OTHER LAW. If any  
35 provision of a law referenced in Section 376.221 is in  
36 conflict with or is inconsistent with this subchapter,  
37 this subchapter prevails. . . .

38 Revisor's Note

39 Section 376.224, Local Government Code, provides  
40 for the adoption and incorporation by reference of  
41 laws to which Subchapter F, Chapter 376, Local  
42 Government Code, refers. The revised law omits the

1 provision as unnecessary. Because this chapter  
2 references the laws that apply to the district, it is  
3 not necessary to duplicate the substance of those laws  
4 in this section by means of adoption and  
5 incorporation. The omitted law reads:

6 Sec. 376.224. . . . Any law  
7 referenced in this subchapter that is not in  
8 conflict or inconsistent with this  
9 subchapter is adopted and incorporated by  
10 reference.

11 Revised Law

12 Sec. 3806.103. NONPROFIT CORPORATION. (a) The board by  
13 resolution may authorize the creation of a nonprofit corporation to  
14 assist and act for the district in implementing a project or  
15 providing a service authorized by this chapter.

16 (b) The nonprofit corporation:

17 (1) has each power of and is considered for purposes of  
18 this chapter to be a local government corporation created under  
19 Chapter 431, Transportation Code; and

20 (2) may implement any project and provide any service  
21 authorized by this chapter.

22 (c) The board shall appoint the board of directors of the  
23 nonprofit corporation. The board of directors of the nonprofit  
24 corporation shall serve in the same manner as, for the same term as,  
25 and on the conditions of the board of directors of a local  
26 government corporation created under Chapter 431, Transportation  
27 Code. (Loc. Gov. Code, Sec. 376.226.)

28 Source Law

29 Sec. 376.226. NONPROFIT CORPORATION. (a) The  
30 board by resolution may authorize the creation of a  
31 nonprofit corporation to assist and act on behalf of  
32 the district in implementing a project or providing a  
33 service authorized by this subchapter.

34 (b) The board shall appoint the board of  
35 directors of a nonprofit corporation created under  
36 this section. The board of directors of the nonprofit  
37 corporation shall serve in the same manner as, for the  
38 same term as, and on the conditions of the board of  
39 directors of a local government corporation created  
40 under Chapter 431, Transportation Code.

41 (c) A nonprofit corporation created under this  
42 section has the powers of and is considered for  
43 purposes of this subchapter to be a local government

1 corporation created under Chapter 431, Transportation  
2 Code.

3 (d) A nonprofit corporation created under this  
4 section may implement any project and provide any  
5 services authorized by this subchapter.

6 Revised Law

7 Sec. 3806.104. CONTRACTS; GRANTS. (a) To protect the  
8 public interest, the district may contract with Harris County or  
9 the City of Houston for the county or the city to provide law  
10 enforcement services in the district for a fee.

11 (b) Harris County, the City of Houston, or another political  
12 subdivision of this state, without further authorization, may  
13 contract with the district to implement a project of the district or  
14 assist the district in providing a service authorized under this  
15 chapter. A contract under this subsection may:

16 (1) be for a period on which the parties agree;

17 (2) include terms on which the parties agree;

18 (3) be payable from taxes or any other source of  
19 revenue that may be available for that project or service; and

20 (4) provide terms under which taxes or other revenue  
21 collected at a district project or from a person using or purchasing  
22 a commodity or service at a district project may be paid or rebated  
23 to the district.

24 (c) The district may enter into a contract, lease, or other  
25 agreement with or make or accept a grant or loan to or from any  
26 person, including:

27 (1) the United States;

28 (2) this state or a state agency;

29 (3) any political subdivision of this state; and

30 (4) a public or private corporation, including a  
31 nonprofit corporation created under this subchapter.

32 (d) The district may perform all acts necessary for the full  
33 exercise of the powers vested in the district on terms and for the  
34 period the board determines advisable. (Loc. Gov. Code, Sec.  
35 376.235.)

1 Source Law

2 Sec. 376.235. CONTRACTS. (a) To protect the  
3 public interest, the district may contract with the  
4 municipality or county for the provision of law  
5 enforcement services by the county or municipality in  
6 the district on a fee basis.

7 (b) The municipality, county, or another  
8 political subdivision of the state, without further  
9 authorization, may contract with the district to  
10 implement a project of the district or assist the  
11 district in providing the services authorized under  
12 this subchapter. A contract under this subsection  
13 may:

14 (1) be for a period on which the parties  
15 agree;

16 (2) include terms on which the parties  
17 agree;

18 (3) be payable from taxes or any other  
19 sources of revenue that may be available for such  
20 purpose; or

21 (4) provide that taxes or other revenue  
22 collected at a district project or from a person using  
23 or purchasing a commodity or service at a district  
24 project may be paid or rebated to the district under  
25 the terms of the contract.

26 (c) The district may enter into a contract,  
27 lease, or other agreement with or make or accept grants  
28 and loans to or from:

29 (1) the United States;

30 (2) the state or a state agency;

31 (3) any county, any municipality, or  
32 another political subdivision of the state;

33 (4) a public or private corporation,  
34 including a nonprofit corporation created by the board  
35 under this subchapter; or

36 (5) any other person.

37 (d) The district may perform all acts necessary  
38 for the full exercise of the powers vested in the  
39 district on terms and for the period the board  
40 determines advisable.

41 Revisor's Note

42 Section 376.235(c)(3), Local Government Code,  
43 refers to "any county, any municipality, or another  
44 political subdivision of the state." The revised law  
45 omits the references to "county" and "municipality"  
46 because "county" and "municipality" are included in  
47 the meaning of "political subdivision."

48 Revisor's Note

49 (End of Subchapter)

50 (1) Section 376.222, Local Government Code,  
51 prohibits the district from exercising the power of  
52 eminent domain. The revised law omits that section  
53 because it duplicates Section 375.094, Local  
54 Government Code. Section 376.217, Local Government

1 Code (revised in this chapter as Section 3806.006),  
2 provides that Chapter 375, Local Government Code,  
3 applies to the district. Therefore, it is not  
4 necessary to revise statutes that duplicate provisions  
5 in that chapter. The omitted law reads:

6 Sec. 376.222. EMINENT DOMAIN. The  
7 district may not exercise the power of  
8 eminent domain.

9 (2) Section 376.223, Local Government Code,  
10 provides that the district is solely responsible for  
11 expenses related to certain actions taken by the  
12 district and is liable for damages resulting from  
13 those actions. The revised law omits that section  
14 because it duplicates Section 375.093(c), Local  
15 Government Code. Section 376.217, Local Government  
16 Code (revised in this chapter as Section 3806.006),  
17 provides that Chapter 375, Local Government Code,  
18 applies to the district. Therefore, it is not  
19 necessary to revise statutes that duplicate provisions  
20 in that chapter. The omitted law reads:

21 Sec. 376.223. EXPENSES AND LIABILITY  
22 FOR CERTAIN ACTIONS AFFECTING  
23 PROPERTY. (a) If the district, in  
24 exercising a power conferred by this  
25 subchapter, requires a relocation,  
26 adjustment, raising, lowering, rerouting,  
27 or changing of the grade or the construction  
28 of any of the following items, the district  
29 must take that required action at the sole  
30 expense of the district:

31 (1) a street, alley, highway,  
32 overpass, underpass, road, railroad track,  
33 bridge, facility, or other property;

34 (2) an electric line, conduit,  
35 facility, or other property;

36 (3) a telephone or telegraph  
37 line, conduit, facility, or other property;

38 (4) a gas transmission or  
39 distribution pipe, pipeline, main,  
40 facility, or other property;

41 (5) a water, sanitary sewer, or  
42 storm sewer pipe, pipeline, main, facility,  
43 or other property;

44 (6) a cable television line,  
45 cable, conduit, facility, or other  
46 property; or

47 (7) another pipeline, facility,  
48 or other property relating to the pipeline.

49 (b) The district shall bear damages

1 that are suffered by owners of the facility  
2 or other property.

3 [Sections 3806.105-3806.150 reserved for expansion]

4 SUBCHAPTER D. FINANCIAL PROVISIONS

5 Revised Law

6 Sec. 3806.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
7 IMPROVEMENTS. (a) The board may not finance a service or an  
8 improvement project under this chapter unless a written petition  
9 requesting that service or improvement is filed with the board.

10 (b) The petition must be signed by:

11 (1) the owners of a majority of the assessed value of  
12 real property in the district according to the most recent  
13 certified tax appraisal roll for Harris County; or

14 (2) at least 50 owners of land in the district, if more  
15 than 50 persons own property in the district according to the most  
16 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
17 Code, Sec. 376.225.)

18 Source Law

19 Sec. 376.225. REQUIREMENTS FOR FINANCING  
20 SERVICES AND IMPROVEMENTS. The board may not finance  
21 services and improvement projects under this  
22 subchapter unless a written petition requesting those  
23 improvements or services has been filed with the  
24 board. The petition must be signed by:

25 (1) the owners of a majority of the  
26 assessed value of real property in the district as  
27 determined by the most recent certified county  
28 property tax rolls; or

29 (2) at least 50 persons who own land in the  
30 district, if there are more than 50 persons who own  
31 property in the district as determined by the most  
32 recent certified county property tax rolls.

33 Revisor's Note

34 Section 376.225, Local Government Code, refers to  
35 "the most recent certified [Harris] county property  
36 tax rolls." The revised law substitutes a reference to  
37 "the most recent certified tax appraisal roll for  
38 Harris County" to conform to the terminology of Title  
39 1, Tax Code, including Section 26.01 of that code,  
40 requiring the chief appraiser of an appraisal district  
41 to certify to the tax assessor of each taxing unit that

1 has property in the appraisal district an appraisal  
2 roll that lists the properties taxable by that taxing  
3 unit and the value of those properties.

4 Revised Law

5 Sec. 3806.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
6 board by resolution shall establish the number of directors'  
7 signatures and the procedure required for a disbursement or  
8 transfer of the district's money. (Loc. Gov. Code, Sec. 376.227.)

9 Source Law

10 Sec. 376.227. DISBURSEMENTS OR TRANSFERS OF  
11 FUNDS. The board by resolution shall establish the  
12 number of directors' signatures and the procedure  
13 required for a disbursement or transfer of the  
14 district's money.

15 Revised Law

16 Sec. 3806.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
17 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
18 or impact fee requires a vote of a majority of the directors  
19 serving. (Loc. Gov. Code, Sec. 376.219(b) (part).)

20 Source Law

21 (b) . . . The imposition of a tax, assessment,  
22 or impact fee requires a vote of a majority of the  
23 directors serving. . . .

24 Revised Law

25 Sec. 3806.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
26 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
27 tax, assessment, or impact fee as provided by Chapter 375, Local  
28 Government Code, to provide an improvement or service for a project  
29 or activity the district may acquire, construct, improve, or  
30 provide under this chapter. (Loc. Gov. Code, Sec. 376.221 (part).)

31 Source Law

32 Sec. 376.221. . . . The district has:

33 . . .  
34 (4) the power to impose ad valorem taxes,  
35 assessments, or impact fees in accordance with Chapter  
36 375 to provide improvements and services for a project  
37 or activity the district is authorized to acquire,  
38 construct, improve, or provide under this subchapter;  
39 and

40 . . .

1 Revised Law

2 Sec. 3806.155. MAINTENANCE TAX. (a) If authorized at an  
3 election held in accordance with Section 3806.159, the district may  
4 impose an annual ad valorem tax on taxable property in the district  
5 to:

6 (1) maintain and operate the district and the  
7 improvements constructed or acquired by the district; or

8 (2) provide a service.

9 (b) The board shall determine the tax rate. (Loc. Gov.  
10 Code, Sec. 376.233.)

11 Source Law

12 Sec. 376.233. MAINTENANCE TAX. (a) If  
13 authorized at an election held in accordance with  
14 Section 376.231, the district may impose and collect  
15 an annual ad valorem tax on taxable property in the  
16 district for the maintenance and operation of the  
17 district and the improvements constructed or acquired  
18 by the district or for the provision of services.

19 (b) The board shall determine the tax rate.

20 Revisor's Note

21 Section 376.233(a), Local Government Code,  
22 provides that the district may "impose and collect" an  
23 ad valorem tax. The revised law omits "and collect"  
24 because "impose" is the term generally used in Title 1,  
25 Tax Code, and includes the collection of an ad valorem  
26 tax.

27 Revised Law

28 Sec. 3806.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
29 The board by resolution may impose and collect an assessment for any  
30 purpose authorized by this chapter.

31 (b) An assessment, a reassessment, or an assessment  
32 resulting from an addition to or correction of the assessment roll  
33 by the district, penalties and interest on an assessment or  
34 reassessment, an expense of collection, and reasonable attorney's  
35 fees incurred by the district:

36 (1) are a first and prior lien against the property  
37 assessed;

1 (2) are superior to any other lien or claim other than  
2 a lien or claim for county, school district, or municipal ad valorem  
3 taxes; and

4 (3) are the personal liability of and a charge against  
5 the owners of the property even if the owners are not named in the  
6 assessment proceeding.

7 (c) The lien is effective from the date of the board's  
8 resolution imposing the assessment until the date the assessment is  
9 paid. The board may enforce the lien in the same manner that the  
10 board may enforce an ad valorem tax lien against real property.

11 (d) The board may correct, add to, or delete assessments  
12 from its assessment rolls after notice and hearing as provided by  
13 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
14 Secs. 376.221 (part), 376.229.)

15 Source Law

16 Sec. 376.221. . . . The district has:

17 . . .  
18 (5) the power to correct, add to, or delete  
19 assessments from its assessment rolls after notice and  
20 hearing as provided by Subchapter F, Chapter 375.

21 Sec. 376.229. ASSESSMENTS. (a) The board may  
22 impose and collect an assessment for any purpose  
23 authorized by this subchapter.

24 (b) Assessments, reassessments, or assessments  
25 resulting from an addition to or correction of the  
26 assessment roll by the district, penalties and  
27 interest on an assessment or reassessment, expenses of  
28 collection, and reasonable attorney's fees incurred by  
29 the district:

30 (1) are a first and prior lien against the  
31 property assessed;

32 (2) are superior to any other lien or claim  
33 other than a lien or claim for county, school district,  
34 or municipal ad valorem taxes; and

35 (3) are the personal liability of and  
36 charge against the owners of the property even if the  
37 owners are not named in the assessment proceedings.

38 (c) A lien is effective from the date of the  
39 resolution of the board levying the assessment until  
40 the assessment is paid. The board may enforce the lien  
41 in the same manner that the board may enforce an ad  
42 valorem tax lien against real property.

43 Revisor's Note

44 Section 376.228(b), Local Government Code,  
45 authorizes the imposition and collection of  
46 assessments under Subchapter F, Chapter 375, Local

1 Government Code. The revised law omits the provision  
2 as unnecessary. Section 376.217, Local Government  
3 Code (revised in this chapter as Section 3806.006),  
4 provides that Chapter 375, Local Government Code,  
5 applies to the district. It is not necessary to  
6 include in this revision a provision that merely  
7 grants the district powers under that chapter. The  
8 omitted law reads:

9 [Sec. 376.228]

10 (b) . . . The board may impose and  
11 collect an assessment under Subchapter F,  
12 Chapter 375, for any purpose authorized by  
13 this subchapter or Chapter 375.

14 Revised Law

15 Sec. 3806.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
16 ASSESSMENTS. (a) The district may not impose a tax, impact fee, or  
17 assessment on a residential property, multiunit residential  
18 property, or condominium.

19 (b) The district may not impose an impact fee or assessment  
20 on the property, equipment, or facilities of an electric utility as  
21 defined by Section 31.002, Utilities Code. (Loc. Gov. Code, Sec.  
22 376.230.)

23 Source Law

24 Sec. 376.230. PROPERTY EXEMPTED BY BOARD. (a)  
25 The district may not impose a tax, impact fee, or  
26 assessment on a residential property, multiunit  
27 residential property, or condominium.

28 (b) The district may not impose an impact fee or  
29 assessment on any property, equipment, or facilities  
30 of an electric utility as defined by Section 31.002,  
31 Utilities Code.

32 Revised Law

33 Sec. 3806.158. OBLIGATIONS; APPROVAL BY CITY OF  
34 HOUSTON. (a) The district may issue bonds or other obligations  
35 payable in whole or in part from ad valorem taxes, assessments,  
36 impact fees, revenue, grants, or other money of the district, or any  
37 combination of those sources of money, to pay for any authorized  
38 purpose of the district.

39 (b) In exercising the district's borrowing power, the

1 district may issue a bond or other obligation in the form of a bond,  
2 note, certificate of participation or other instrument evidencing a  
3 proportionate interest in payments to be made by the district, or  
4 other type of obligation.

5 (c) Except as provided by Subsection (d), the district must  
6 obtain the approval of the City of Houston:

7 (1) for the issuance of a bond for each improvement  
8 project;

9 (2) of the plans and specifications of the improvement  
10 project to be financed by the bond; and

11 (3) of the plans and specifications of a district  
12 improvement project related to the use of:

13 (A) land owned by a municipality;

14 (B) an easement granted by a municipality; or

15 (C) a right-of-way of a street, road, or highway.

16 (d) If the district obtains the approval of the City of  
17 Houston of a capital improvements budget for a specified period not  
18 to exceed five years, the district may finance the capital  
19 improvements and issue bonds specified in the budget without  
20 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
21 376.228(a), (b) (part), (c), (d).)

22 Source Law

23 Sec. 376.228. BONDS. (a) The district may  
24 issue bonds or other obligations payable in whole or in  
25 part from ad valorem taxes, assessments, impact fees,  
26 revenues, grants, or other money of the district, or  
27 any combination of those sources of money, to pay for  
28 any authorized purpose of the district.

29 (b) Bonds or other obligations of the district  
30 may be issued in the form of bonds, notes, certificates  
31 of participation, including other instruments  
32 evidencing a proportionate interest in payments to be  
33 made by the district, or other obligations that are  
34 issued in the exercise of the district's borrowing  
35 power and may be issued in bearer or registered form or  
36 not represented by an instrument but the transfer of  
37 which is registered on books maintained by or on behalf  
38 of the district. . . .

39 (c) Except as provided by Subsection (d), the  
40 district must obtain the municipality's approval of:

41 (1) the issuance of bonds for an  
42 improvement project;

43 (2) the plans and specifications of the  
44 improvement project to be financed by the bonds; and

45 (3) the plans and specifications of a

1 district improvement project related to the use of:  
2 (A) land owned by a municipality;  
3 (B) an easement granted by a  
4 municipality; or  
5 (C) a right-of-way of a street, road,  
6 or highway.

7 (d) If the district obtains the municipality's  
8 approval of a capital improvements budget for a  
9 specified period not to exceed five years, the  
10 district may finance the capital improvements and  
11 issue bonds specified in the budget without further  
12 municipal approval.

13 Revisor's Note

14 (1) Section 376.228(b), Local Government Code,  
15 states that obligations "may be issued in bearer or  
16 registered form or not represented by an instrument  
17 but the transfer of which is registered on books  
18 maintained by or on behalf of the district." The  
19 revised law omits the quoted language as unnecessary  
20 because it substantively duplicates Sections  
21 1201.022(a)(2) and 1201.023, Government Code. Section  
22 1201.022(a)(2) permits bearer or unregistered form.  
23 Section 1201.023 permits uncertificated book entry.  
24 Those sections apply to obligations issued under  
25 Section 376.228, Local Government Code, by application  
26 of Section 1201.002, Government Code.

27 (2) Section 376.228(e), Local Government Code,  
28 provides that before issuing bonds the district must  
29 submit the bonds and the record of the district's bond  
30 proceedings to the attorney general for approval. The  
31 revised law omits Section 376.228(e) as unnecessary  
32 because it substantively duplicates Section 1202.003,  
33 Government Code. That section applies to bonds issued  
34 under Section 376.228, Local Government Code, by  
35 application of Section 1202.001, Government Code. The  
36 omitted law reads:

37 (e) Before the district issues bonds,  
38 the district shall submit the bonds and the  
39 record of proceedings of the district  
40 relating to authorization of the bonds to  
41 the attorney general for approval as  
42 provided by Chapter 1202, Government Code.

1 Revised Law

2 Sec. 3806.159. ELECTIONS REGARDING TAXES OR  
3 BONDS. (a) In addition to the elections required under  
4 Subchapter L, Chapter 375, Local Government Code, the district must  
5 hold an election in the manner provided by that subchapter to obtain  
6 voter approval before the district may:

7 (1) impose a maintenance tax; or

8 (2) issue a bond payable from ad valorem taxes or  
9 assessments.

10 (b) The board may submit multiple purposes in a single  
11 proposition at an election. (Loc. Gov. Code, Sec. 376.231.)

12 Source Law

13 Sec. 376.231. ELECTIONS. (a) In addition to  
14 the elections the district must hold under Subchapter  
15 L, Chapter 375, the district shall hold an election in  
16 the manner provided by that subchapter to obtain voter  
17 approval before the district imposes a maintenance tax  
18 or issues bonds payable from ad valorem taxes or  
19 assessments.

20 (b) The board may submit multiple purposes in a  
21 single proposition at an election.

22 Revisor's Note  
23 (End of Subchapter)

24 Section 376.232, Local Government Code, grants  
25 the district the power to impose impact fees as  
26 provided by Subchapter G, Chapter 375, Local  
27 Government Code. The revised law omits the section as  
28 unnecessary. Section 376.217, Local Government Code  
29 (revised in this chapter as Section 3806.006),  
30 provides that Chapter 375, Local Government Code,  
31 applies to the district. Therefore, it is not  
32 necessary to revise statutes that merely grant the  
33 district powers under that chapter. The omitted law  
34 reads:

35 Sec. 376.232. IMPACT FEES. The  
36 district may impose an impact fee for an  
37 authorized purpose as provided by  
38 Subchapter G, Chapter 375.

39 [Sections 3806.160-3806.200 reserved for expansion]

1 SUBCHAPTER E. DISSOLUTION

2 Revised Law

3 Sec. 3806.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
4 DEBT. If the district has debt when it is dissolved, the district  
5 shall remain in existence solely for the purpose of discharging its  
6 bonds or other obligations according to their terms. (Loc. Gov.  
7 Code, Sec. 376.234 (part).)

8 Source Law

9 Sec. 376.234. . . . If the district has debt  
10 and is dissolved, the district shall remain in  
11 existence solely for the limited purpose of  
12 discharging its bonds or other obligations according  
13 to their terms.

14 Revisor's Note

15 Section 376.234, Local Government Code, grants  
16 the district the power to dissolve under Subchapter M,  
17 Chapter 375, Local Government Code. The revised law  
18 omits the language as unnecessary. Section 376.217,  
19 Local Government Code (revised in this chapter as  
20 Section 3806.006), provides that Chapter 375, Local  
21 Government Code, applies to the district. Therefore,  
22 it is not necessary to revise statutes that merely  
23 grant the district powers under that chapter. The  
24 omitted law reads:

25 Sec. 376.234. DISSOLUTION OF  
26 DISTRICT. The district may be dissolved as  
27 provided by Subchapter M, Chapter  
28 375. . . .

29 CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

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1 CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 3807.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the board of directors of the  
6 district.

7 (2) "District" means the Greater East End Management  
8 District. (Loc. Gov. Code, Secs. 376.263(1), (3).)

9 Source Law

10 Sec. 376.263. DEFINITIONS. In this subchapter:

11 (1) "Board" means the board of directors  
12 of the district.

13 (3) "District" means the Greater East End  
14 Management District.

15 Revisor's Note

16 Sections 376.263(2) and (4), Local Government  
17 Code, respectively define "county" as Harris County  
18 and "municipality" as the City of Houston. The revised  
19 law omits the definitions for ease of understanding.  
20 Throughout this chapter, the revised law instead  
21 refers to Harris County and the City of Houston unless  
22 the context clearly shows that the term "county" or  
23 "municipality" refers generally to any county or  
24 municipality. The omitted law reads:

25 (2) "County" means Harris  
26 County, Texas.

27 (4) "Municipality" means the  
28 City of Houston, Texas.

29 Revised Law

30 Sec. 3807.002. GREATER EAST END MANAGEMENT DISTRICT. A  
31 special district in Harris County known as the "Greater East End  
32 Management District" is a governmental agency and political  
33 subdivision of this state. (Loc. Gov. Code, Sec. 376.261(a).)

34 Source Law

35 Sec. 376.261. CREATION OF DISTRICT. (a) A  
36 special district to be known as the "Greater East End  
37 Management District" exists as a governmental agency,  
38 body politic and corporate, and political subdivision

1 of the state.

2 Revisor's Note

3 (1) Section 376.261(a), Local Government Code,  
4 provides that the Greater East End Management District  
5 is a "governmental agency, body politic and corporate,  
6 and political subdivision of the state." The revised  
7 law omits "body politic and corporate" because the  
8 meaning of those words is included in the meaning of  
9 "governmental agency" and "political subdivision of  
10 this state."

11 (2) Section 376.261(b), Local Government Code,  
12 provides that the board may change the name of the  
13 district by resolution. The revised law omits the  
14 section because it duplicates Section 375.096(d),  
15 Local Government Code. Section 376.267, Local  
16 Government Code (revised in this chapter as Section  
17 3807.006), provides that Chapter 375, Local Government  
18 Code, applies to the district. Therefore, it is not  
19 necessary to revise statutes that duplicate  
20 provisions in that chapter. The omitted law reads:

21 (b) The name of the district may be  
22 changed by resolution of the board.

23 Revised Law

24 Sec. 3807.003. PURPOSE; DECLARATION OF INTENT. (a) The  
25 creation of the district is essential to accomplish the purposes of  
26 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
27 Texas Constitution, and other public purposes stated in this  
28 chapter. By creating the district and in authorizing Harris  
29 County, the City of Houston, and other political subdivisions to  
30 contract with the district, the legislature has established a  
31 program to accomplish the public purposes set out in Section 52-a,  
32 Article III, Texas Constitution.

33 (b) The creation of the district is necessary to promote,  
34 develop, encourage, and maintain employment, commerce,  
35 transportation, housing, tourism, recreation, the arts,

1 entertainment, economic development, safety, and the public  
2 welfare in the Greater East End area of the city of Houston.

3 (c) This chapter and the creation of the district may not be  
4 interpreted to relieve Harris County or the City of Houston from  
5 providing the level of services provided as of May 10, 1999, to the  
6 area in the district or to release the county or the city from the  
7 obligations of each entity to provide services to that area. The  
8 district is created to supplement and not to supplant the county or  
9 city services provided in the area in the district. (Loc. Gov.  
10 Code, Secs. 376.261(c), 376.262.)

#### 11 Source Law

12 [Sec. 376.261]

13 (c) The creation of the district is essential to  
14 accomplish the purposes of Section 52, Article III,  
15 Section 59, Article XVI, and Section 52-a, Article  
16 III, Texas Constitution, and other public purposes  
17 stated in this subchapter.

18 Sec. 376.262. DECLARATION OF INTENT. (a) The  
19 creation of the district is necessary to promote,  
20 develop, encourage, and maintain employment,  
21 commerce, transportation, housing, tourism,  
22 recreation, arts, entertainment, economic  
23 development, safety, and the public welfare in the  
24 Greater East End area of the city of Houston.

25 (b) The creation of the district and this  
26 legislation are not to be interpreted to relieve the  
27 county or the municipality from providing the level of  
28 services, as of the effective date of this subchapter,  
29 to the area in the district or to release the county or  
30 the municipality from the obligations each entity has  
31 to provide services to that area. The district is  
32 created to supplement and not supplant the municipal  
33 or county services provided in the area in the  
34 district.

35 (c) By creating the district and in authorizing  
36 the municipality, county, and other political  
37 subdivisions to contract with the district, the  
38 legislature has established a program to accomplish  
39 the public purposes set out in Section 52-a, Article  
40 III, Texas Constitution.

#### 41 Revisor's Note

42 Section 376.262(b), Local Government Code,  
43 refers to "the effective date of this subchapter."  
44 Subchapter G, Chapter 376, Local Government Code, was  
45 enacted by Chapter 47, Acts of the 76th Legislature,  
46 Regular Session, 1999, which took effect May 10, 1999.  
47 The revised law substitutes that date for the quoted

1 language.

2 Revised Law

3 Sec. 3807.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
4 The district is created to serve a public use and benefit.

5 (b) All land and other property included in the district  
6 will benefit from the improvements and services to be provided by  
7 the district under powers conferred by Sections 52 and 52-a,  
8 Article III, and Section 59, Article XVI, Texas Constitution, and  
9 other powers granted under this chapter.

10 (c) The creation of the district is in the public interest  
11 and is essential to:

12 (1) further the public purposes of developing and  
13 diversifying the economy of the state;

14 (2) eliminate unemployment and underemployment; and

15 (3) develop or expand transportation and commerce.

16 (d) The district will:

17 (1) promote the health, safety, and general welfare of  
18 residents, employers, employees, visitors, and consumers in the  
19 district, and of the public;

20 (2) provide needed funding for the Greater East End  
21 area of the city of Houston to preserve, maintain, and enhance the  
22 economic health and vitality of the area as a community and business  
23 center;

24 (3) promote the health, safety, welfare, and enjoyment  
25 of the public by providing pedestrian ways and by landscaping and  
26 developing certain areas in the district, which are necessary for  
27 the restoration, preservation, and enhancement of scenic and  
28 aesthetic beauty; and

29 (4) eliminate unemployment and underemployment and  
30 develop or expand transportation and commerce by providing or by  
31 participating with other entities and educational institutions in  
32 establishing, equipping, financing, and operating workforce  
33 development, workforce education, and job training opportunities.

34 (e) Pedestrian ways along or across a street, whether at

1 grade or above or below the surface, and street lighting, street  
2 landscaping, and street art objects are parts of and necessary  
3 components of a street and are considered to be a street or road  
4 improvement.

5 (f) The district will not act as the agent or  
6 instrumentality of any private interest even though the district  
7 will benefit many private interests as well as the public. (Loc.  
8 Gov. Code, Sec. 376.266.)

9 Source Law

10 Sec. 376.266. FINDINGS OF BENEFIT AND PUBLIC  
11 PURPOSE. (a) All the land and other property included  
12 in the district will be benefited by the improvements  
13 and services to be provided by the district under  
14 powers conferred by Section 52, Article III, Section  
15 59, Article XVI, and Section 52-a, Article III, Texas  
16 Constitution, and other powers granted under this  
17 subchapter, and the district is created to serve a  
18 public use and benefit.

19 (b) The creation of the district is in the  
20 public interest and is essential to:

21 (1) further the public purposes of the  
22 development and diversification of the economy of the  
23 state; and

24 (2) eliminate unemployment and  
25 underemployment and develop or expand transportation  
26 and commerce.

27 (c) The district will:

28 (1) promote the health, safety, and  
29 general welfare of residents, employers, employees,  
30 visitors, consumers in the district, and the general  
31 public;

32 (2) provide needed funding for the Greater  
33 East End area to preserve, maintain, and enhance the  
34 economic health and vitality of the area as a community  
35 and business center;

36 (3) further promote the health, safety,  
37 welfare, and enjoyment of the public by providing  
38 pedestrian ways and by landscaping and developing  
39 certain areas in the district, which are necessary for  
40 the restoration, preservation, and enhancement of  
41 scenic and aesthetic beauty; and

42 (4) further eliminate unemployment and  
43 underemployment and develop or expand transportation  
44 and commerce by providing or by participating with  
45 other entities and educational institutions in the  
46 establishment, equipping, financing, and operation of  
47 workforce development, workforce education, and job  
48 training opportunities.

49 (d) Pedestrian ways along or across a street,  
50 whether at grade or above or below the surface, and  
51 street lighting, street landscaping, and street art  
52 objects are parts of and necessary components of a  
53 street and are considered to be a street or road  
54 improvement.

55 (e) The district will not act as the agent or  
56 instrumentality of any private interest even though  
57 many private interests will be benefited by the  
58 district, as will the general public.

1 Revised Law

2 Sec. 3807.005. DISTRICT TERRITORY. (a) The district is  
3 composed of the territory described by Section 1, Chapter 47, Acts  
4 of the 76th Legislature, Regular Session, 1999, enacting former  
5 Section 376.264, Local Government Code, as that territory may have  
6 been modified under:

7 (1) Subchapter J, Chapter 49, Water Code; or

8 (2) other law.

9 (b) The boundaries and field notes of the district contained  
10 in Section 1, Chapter 47, Acts of the 76th Legislature, Regular  
11 Session, 1999, enacting former Section 376.264, Local Government  
12 Code, form a closure. A mistake in the field notes or in copying the  
13 field notes in the legislative process does not in any way affect:

14 (1) the district's organization, existence, and  
15 validity;

16 (2) the district's right to issue any type of bond,  
17 including a refunding bond, for a purpose for which the district is  
18 created or to pay the principal of and interest on the bond;

19 (3) the district's right to impose and collect an  
20 assessment or tax; or

21 (4) the legality or operation of the district or the  
22 board. (Loc. Gov. Code, Sec. 376.265; New.)

23 Source Law

24 Sec. 376.265. FINDINGS RELATING TO BOUNDARIES.  
25 The boundaries and field notes of the district form a  
26 closure. If a mistake is made in the field notes or in  
27 copying the field notes in the legislative process,  
28 the mistake does not in any way affect the:

29 (1) organization, existence, and validity  
30 of the district;

31 (2) right of the district to issue any type  
32 of bonds or refunding bonds for the purposes for which  
33 the district is created or to pay the principal of and  
34 interest on the bonds;

35 (3) right of the district to impose and  
36 collect assessments or taxes; or

37 (4) legality or operation of the district  
38 or its governing body.

39 Revisor's Note

40 The revision of the law governing the Greater  
41 East End Management District does not revise the

1 statutory language describing the territory of the  
2 district to avoid the lengthy recitation of the  
3 description and because that description may not be  
4 accurate on the effective date of the revision or at  
5 the time of a later reading. For the reader's  
6 convenience, the revised law includes a reference to  
7 the statutory description of the district's territory  
8 and a reference to the authority to change the  
9 district's territory under Subchapter J, Chapter 49,  
10 Water Code. Sections 375.043 and 375.044, Local  
11 Government Code, which apply to the district under  
12 Section 376.267, Local Government Code (revised in  
13 this chapter as Section 3807.006), provide that a  
14 management district may annex or exclude territory in  
15 the manner provided by Chapter 54, Water Code.  
16 Sections 54.701 through 54.727, Water Code, which  
17 provided for the annexation or exclusion of territory  
18 by a municipal utility district, were repealed by  
19 Section 43, Chapter 715, Acts of the 74th Legislature,  
20 Regular Session, 1995. Section 2 of that act added  
21 Chapter 49, Water Code, including Subchapter J of that  
22 chapter, which now provides for the annexation or  
23 exclusion of territory by a municipal utility  
24 district; the references in Sections 375.043 and  
25 375.044, Local Government Code, to the repealed  
26 annexation and exclusion provisions in Chapter 54,  
27 Water Code, may be considered to be references to the  
28 similar provisions in Chapter 49, Water Code, and the  
29 revised law reflects this change. The revised law also  
30 includes a reference to the general authority of the  
31 legislature to enact other laws to change the  
32 district's territory.

33 Revised Law

34 Sec. 3807.006. APPLICABILITY OF OTHER LAW. Except as

1 otherwise provided by this chapter, Chapter 375, Local Government  
2 Code, applies to the district. (Loc. Gov. Code, Secs. 376.267,  
3 376.271 (part).)

4 Source Law

5 Sec. 376.267. APPLICATION OF OTHER LAW. Except  
6 as otherwise provided by this chapter, Chapter 375  
7 applies to the district.

8 Sec. 376.271. . . . The district has:

9  
10 (2) the rights, powers, privileges,  
11 authority, and functions of a district created under  
12 Chapter 375;  
13 . . .

14 Revised Law

15 Sec. 3807.007. RELATION TO OTHER LAW. This chapter  
16 prevails over any provision of general law, including a law to which  
17 this chapter refers, that is in conflict with or is inconsistent  
18 with this chapter. (Loc. Gov. Code, Sec. 376.274 (part).)

19 Source Law

20 Sec. 376.274. RELATION TO OTHER LAW. If any  
21 provision of general law, including a law referenced  
22 in this subchapter, is in conflict with or is  
23 inconsistent with this subchapter, this subchapter  
24 prevails. . . .

25 Revisor's Note

26 Section 376.274, Local Government Code, provides  
27 for the adoption and incorporation by reference of  
28 laws to which Subchapter G, Chapter 376, Local  
29 Government Code, refers. The revised law omits the  
30 provision as unnecessary. Because this chapter  
31 references the laws that apply to the district, it is  
32 not necessary to duplicate the substance of those laws  
33 in this section by means of adoption and  
34 incorporation. The omitted law reads:

35 Sec. 376.274. . . . Any law  
36 referenced in this subchapter that is not in  
37 conflict or inconsistent with this  
38 subchapter is adopted and incorporated by  
39 reference.

40 Revised Law

41 Sec. 3807.008. LIBERAL CONSTRUCTION OF CHAPTER. This

1 chapter shall be liberally construed in conformity with the  
2 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
3 376.268.)

4 Source Law

5 Sec. 376.268. CONSTRUCTION OF SUBCHAPTER. This  
6 subchapter shall be liberally construed in conformity  
7 with the findings and purposes stated in this  
8 subchapter.

9 [Sections 3807.009-3807.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Revised Law

12 Sec. 3807.051. BOARD OF DIRECTORS; TERMS. (a) The district  
13 is governed by a board of 15 directors who serve staggered terms of  
14 four years, with seven directors' terms expiring June 1 of an  
15 odd-numbered year and eight directors' terms expiring June 1 of the  
16 following odd-numbered year.

17 (b) The board by resolution may increase or decrease the  
18 number of directors on the board, but only if it is in the best  
19 interest of the district to do so. The board may not:

20 (1) increase the number of directors to more than 30;

21 or

22 (2) decrease the number of directors to fewer than  
23 nine. (Loc. Gov. Code, Sec. 376.269(a).)

24 Source Law

25 Sec. 376.269. BOARD OF DIRECTORS IN GENERAL.  
26 (a) The district is governed by a board of 15  
27 directors who serve staggered terms of four years,  
28 with seven members' terms expiring June 1 of an  
29 odd-numbered year and eight members' terms expiring  
30 June 1 of the following odd-numbered year. The board  
31 may increase or decrease the number of directors on the  
32 board by resolution, provided that it is in the best  
33 interest of the district to do so and that the board  
34 consists of not fewer than nine and not more than 30  
35 directors.

36 Revisor's Note

37 Section 376.269(b), Local Government Code,  
38 provides that Subchapter D, Chapter 375, Local  
39 Government Code, applies to directors' votes and to the  
40 board and its actions to the extent that Subchapter D

1 does not conflict with Subchapter G, Chapter 376,  
2 Local Government Code (revised as this chapter). The  
3 revised law omits this provision because it duplicates  
4 Section 376.267, Local Government Code (revised in  
5 this chapter as Section 3807.006), and Section  
6 376.274, Local Government Code (revised in this  
7 chapter as Section 3807.007). Revised Section 3807.006  
8 provides that Chapter 375, Local Government Code,  
9 applies to the district except as otherwise provided  
10 by this chapter, and revised Section 3807.007 provides  
11 that this chapter prevails over any law that is in  
12 conflict with or inconsistent with this chapter. The  
13 omitted law reads:

14 (b) Subchapter D, Chapter 375,  
15 applies to the board to the extent that  
16 subchapter does not conflict with this  
17 subchapter . . . . Directors may vote on  
18 any matter authorized by Subchapter D,  
19 Chapter 375, and action may be taken by the  
20 board only if it is approved in the manner  
21 prescribed by Subchapter D, Chapter 375.

22 Revised Law

23 Sec. 3807.052. APPOINTMENT OF DIRECTORS. The mayor and  
24 members of the governing body of the City of Houston shall appoint  
25 directors from persons recommended by the board who meet the  
26 qualifications prescribed by Subchapter D, Chapter 375, Local  
27 Government Code. (Loc. Gov. Code, Sec. 376.270 (part).)

28 Source Law

29 Sec. 376.270. APPOINTMENT OF DIRECTORS;  
30 VACANCY. The mayor and members of the governing body  
31 of the municipality shall appoint directors from  
32 persons recommended by the board who meet the  
33 qualifications of Subchapter D, Chapter 375. . . .

34 Revisor's Note

35 Section 376.270, Local Government Code, refers to  
36 a vacancy in the office of director "because of the  
37 death, resignation, or removal of a director" and  
38 provides for appointing a replacement. The revised  
39 law omits this provision because it substantively

1 duplicates Section 375.066, Local Government Code.  
2 Section 376.267, Local Government Code (revised in  
3 this chapter as Section 3807.006), provides that  
4 Chapter 375, Local Government Code, applies to the  
5 district. Therefore, it is not necessary to revise  
6 statutes that duplicate provisions in that chapter.  
7 Although Section 375.066, Local Government Code, does  
8 not refer to "the death, resignation, or removal of a  
9 director," that language is unnecessary because it  
10 merely describes every manner in which a vacancy may  
11 occur without limiting in any way the board's duty to  
12 fill a vacancy. The omitted law reads:

13           Sec. 376.270. . . . A vacancy in the  
14 office of director because of the death,  
15 resignation, or removal of a director shall  
16 be filled by the remaining members of the  
17 board by appointing a qualified person for  
18 the unexpired term.

19 [Sections 3807.053-3807.100 reserved for expansion]

20           SUBCHAPTER C. POWERS AND DUTIES

21                   Revised Law

22           Sec. 3807.101. POWERS. The district has:

23                   (1) all powers necessary to accomplish the purposes  
24 for which the district was created; and

25                   (2) the powers given to a corporation under Section  
26 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
27 Texas Civil Statutes), and the power to own, operate, acquire,  
28 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
29 Sec. 376.271 (part).)

30                   Source Law

31           Sec. 376.271. POWERS OF DISTRICT. The district  
32 has:

33                   (1) all powers necessary or required to  
34 accomplish the purposes for which the district was  
35 created;

36                   . . .  
37                   (3) the powers given to a corporation  
38 under Section 4B, Development Corporation Act of 1979  
39 (Article 5190.6, Vernon's Texas Civil Statutes), and  
40 the power to own, operate, acquire, construct, lease,  
41 improve, and maintain projects;

42                   . . .

1 Revisor's Note

2 Section 376.271(1), Local Government Code,  
3 refers to powers "necessary or required" to  
4 accomplish the purposes of the district. The revised  
5 law omits the reference to "required" because in this  
6 context it is included in the meaning of "necessary."

7 Revised Law

8 Sec. 3807.102. NONPROFIT CORPORATION. (a) The board by  
9 resolution may authorize the creation of a nonprofit corporation to  
10 assist and act for the district in implementing a project or  
11 providing a service authorized by this chapter.

12 (b) The nonprofit corporation:

13 (1) has each power of and is considered for purposes of  
14 this chapter to be a local government corporation created under  
15 Chapter 431, Transportation Code; and

16 (2) may implement any project and provide any service  
17 authorized by this chapter.

18 (c) The board shall appoint the board of directors of the  
19 nonprofit corporation. The board of directors of the nonprofit  
20 corporation shall serve in the same manner as, for the same term as,  
21 and on the same conditions as the board of directors of a local  
22 government corporation created under Chapter 431, Transportation  
23 Code. (Loc. Gov. Code, Sec. 376.276.)

24 Source Law

25 Sec. 376.276. NONPROFIT CORPORATION. (a) The  
26 board by resolution may authorize the creation of a  
27 nonprofit corporation to assist and act on behalf of  
28 the district in implementing a project or providing a  
29 service authorized by this subchapter.

30 (b) The board shall appoint the board of  
31 directors of a nonprofit corporation created under  
32 this section. The board of directors of the nonprofit  
33 corporation shall serve in the same manner as, for the  
34 same term as, and on the conditions of the board of  
35 directors of a local government corporation created  
36 under Chapter 431, Transportation Code.

37 (c) A nonprofit corporation created under this  
38 section has the powers of and is considered for  
39 purposes of this subchapter to be a local government  
40 corporation created under Chapter 431, Transportation  
41 Code.

42 (d) A nonprofit corporation created under this  
43 section may implement any project and provide any

1 services authorized by this subchapter.

2 Revised Law

3 Sec. 3807.103. CONTRACTS; GRANTS. (a) To protect the  
4 public interest, the district may contract with Harris County or  
5 the City of Houston for the county or the city to provide law  
6 enforcement services in the district for a fee.

7 (b) Harris County, the City of Houston, or another political  
8 subdivision of this state, without further authorization, may  
9 contract with the district to implement a project of the district or  
10 assist the district in providing a service authorized by this  
11 chapter. A contract under this subsection may:

12 (1) be for a period on which the parties agree;

13 (2) include terms on which the parties agree;

14 (3) be payable from taxes or any other source of  
15 revenue that may be available for that project or service; or

16 (4) provide terms under which taxes or other revenue  
17 collected at a district project or from a person using or purchasing  
18 a commodity or service at a district project may be paid or rebated  
19 to the district.

20 (c) The district may enter into a contract, lease, or other  
21 agreement with or make or accept a grant or loan to or from any  
22 person, including:

23 (1) the United States;

24 (2) this state or a state agency;

25 (3) any political subdivision of this state; and

26 (4) a public or private corporation, including a  
27 nonprofit corporation created by the board under this subchapter.

28 (d) The district may perform all acts necessary for the full  
29 exercise of the powers vested in the district on terms and for the  
30 period the board determines advisable. (Loc. Gov. Code, Sec.  
31 376.286.)

32 Source Law

33 Sec. 376.286. CONTRACTS. (a) To protect the  
34 public interest, the district may contract with the  
35 municipality or the county for the municipality or  
36 county to provide law enforcement services in the

1 district for a fee.

2 (b) The municipality, the county, or another  
3 political subdivision of the state, without further  
4 authorization, may contract with the district to  
5 implement a project of the district or assist the  
6 district in providing the services authorized under  
7 this subchapter. A contract under this subsection  
8 may:

9 (1) be for a period on which the parties  
10 agree;

11 (2) include terms on which the parties  
12 agree;

13 (3) be payable from taxes or any other  
14 sources of revenue that may be available for that  
15 purpose; or

16 (4) provide that taxes or other revenue  
17 collected at a district project or from a person using  
18 or purchasing a commodity or service at a district  
19 project may be paid or rebated to the district under  
20 the terms of the contract.

21 (c) The district may enter into a contract,  
22 lease, or other agreement with or make or accept grants  
23 and loans to or from:

24 (1) the United States;

25 (2) the state or a state agency;

26 (3) a county, a municipality, or another  
27 political subdivision of the state;

28 (4) a public or private corporation,  
29 including a nonprofit corporation created by the board  
30 under this subchapter; or

31 (5) any other person.

32 (d) The district may perform all acts necessary  
33 for the full exercise of the powers vested in the  
34 district on terms and for the period the board  
35 determines advisable.

36 Revisor's Note

37 Section 376.286(c)(3), Local Government Code,  
38 refers to "a county, a municipality, or another  
39 political subdivision of the state." The revised law  
40 omits the references to "county" and "municipality"  
41 because "county" and "municipality" are included in  
42 the meaning of "political subdivision."

43 Revised Law

44 Sec. 3807.104. PLANS FOR WORKFORCE DEVELOPMENT SERVICES.

45 (a) The district shall develop and implement one or more plans for  
46 workforce development services. The services may include:

47 (1) job training;

48 (2) workforce education;

49 (3) financing of special educational opportunities;

50 (4) student summer work programs; or

51 (5) other projects that promote workforce

1 development.

2 (b) To assist in implementing a plan for workforce  
3 development services, the district may:

4 (1) accept a donation, grant, or loan from any person;

5 (2) work with a school at any level;

6 (3) work with any person that provides workforce  
7 development money or projects; or

8 (4) participate with any other entity. (Loc. Gov.  
9 Code, Secs. 376.284(a), (c), (d).)

10 Source Law

11 Sec. 376.284. WORKFORCE DEVELOPMENT SERVICES  
12 AND PROJECTS. (a) As soon as possible after its  
13 creation, the district shall develop and implement a  
14 plan for workforce development services. The services  
15 may include:

16 (1) job training;

17 (2) workforce education;

18 (3) financing of special educational  
19 opportunities;

20 (4) student summer work programs; or

21 (5) other projects that promote workforce  
22 development.

23 (c) The district may develop and implement  
24 additional plans under Subsection (a).

25 (d) To assist in implementing this section, the  
26 district may:

27 (1) accept a donation, grant, or loan from  
28 any person;

29 (2) work with schools of all levels;

30 (3) work with any person that provides  
31 workforce development funds or projects; or

32 (4) participate with other entities.

33 Revisor's Note

34 (1) Section 376.284(a), Local Government Code,  
35 requires the district to develop and implement a plan  
36 for workforce development services "[a]s soon as  
37 possible after its creation." The district was  
38 created by Chapter 47, Acts of the 76th Legislature,  
39 Regular Session, 1999, which took effect May 10, 1999,  
40 and on September 20, 1999, the district adopted a  
41 five-year service plan that includes the required plan  
42 for workforce development services. Accordingly, the  
43 revised law omits the quoted language as executed.

44 (2) Section 376.284(b), Local Government Code,

1 requires the district's initial plan for workforce  
2 development to cover a period of at least five years.  
3 Section 376.284(b) also requires the district to,  
4 during the first five years of the plan, allocate not  
5 less than three percent of its assessment revenues to  
6 the services provided under the plan. The district  
7 adopted its initial plan September 20, 1999, meaning  
8 that the requirements of Section 376.284(b) regarding  
9 the district's initial plan will expire September 20,  
10 2004. Because the effective date of this codification  
11 is June 1, 2005, the revised law omits these provisions  
12 as executed. The omitted law reads:

13 (b) The district's initial plan under  
14 Subsection (a) must be for a period of at  
15 least five years. For the first five years  
16 of the plan, the district shall allocate to  
17 the services listed in Subsection (a) not  
18 less than three percent of its assessment  
19 revenues.

20 Revisor's Note  
21 (End of Subchapter)

22 (1) Section 376.272, Local Government Code,  
23 prohibits the district from exercising the power of  
24 eminent domain. The revised law omits the section  
25 because it duplicates Section 375.094, Local  
26 Government Code. Section 376.267, Local Government  
27 Code (revised in this chapter as Section 3807.006),  
28 provides that Chapter 375, Local Government Code,  
29 applies to the district. Therefore, it is not  
30 necessary to revise statutes that duplicate provisions  
31 in that chapter. The omitted law reads:

32 Sec. 376.272. EMINENT DOMAIN. The  
33 district may not exercise the power of  
34 eminent domain.

35 (2) Section 376.273, Local Government Code,  
36 provides that the district is solely responsible for  
37 expenses related to certain actions taken by the  
38 district and is liable for damages resulting from

1 those actions. The revised law omits the section  
2 because it duplicates Section 375.093(c), Local  
3 Government Code. Section 376.267, Local Government  
4 Code (revised in this chapter as Section 3807.006),  
5 provides that Chapter 375, Local Government Code,  
6 applies to the district. Therefore, it is not  
7 necessary to revise statutes that duplicate provisions  
8 in that chapter. The omitted law reads:

9           Sec. 376.273. EXPENSES AND LIABILITY  
10 FOR CERTAIN ACTIONS AFFECTING PROPERTY.

11 (a) If the district, in exercising a power  
12 conferred by this subchapter, requires a  
13 relocation, adjustment, raising, lowering,  
14 rerouting, or changing of the grade or the  
15 construction of any of the following items,  
16 the district must take that required action  
17 at the sole expense of the district:

18           (1) a street, alley, highway,  
19 overpass, underpass, road, railroad track,  
20 bridge, facility, or other property;

21           (2) an electric line, conduit,  
22 facility, or other property;

23           (3) a telephone or telegraph  
24 line, conduit, facility, or other property;

25           (4) a gas transmission or  
26 distribution pipe, pipeline, main,  
27 facility, or other property;

28           (5) a water, sanitary sewer, or  
29 storm sewer pipe, pipeline, main, facility,  
30 or other property;

31           (6) a cable television line,  
32 cable, conduit, facility, or other  
33 property; or

34           (7) another pipeline, facility,  
35 or other property relating to the pipeline.

36 (b) The district shall bear damages  
37 that are suffered by owners of the facility  
38 or other property.

39 [Sections 3807.105-3807.150 reserved for expansion]

40           SUBCHAPTER D. FINANCIAL PROVISIONS

41                   Revised Law

42           Sec. 3807.151. PETITION REQUIRED FOR FINANCING SERVICE OR  
43 IMPROVEMENT. (a) The board may not finance a service or an  
44 improvement project under this chapter unless a written petition  
45 requesting that service or improvement is filed with the board.

46 (b) The petition must be signed by:

47           (1) the owners of a majority of the assessed value of  
48 real property in the district according to the most recent

1 certified tax appraisal roll for Harris County; or

2 (2) at least 50 owners of land in the district, if more  
3 than 50 persons own property in the district according to the most  
4 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
5 Code, Sec. 376.275.)

6 Source Law

7 Sec. 376.275. REQUIREMENTS FOR FINANCING  
8 SERVICES AND IMPROVEMENTS. The board may not finance  
9 services and improvement projects under this  
10 subchapter unless a written petition requesting those  
11 improvements or services has been filed with the  
12 board. The petition must be signed by:

13 (1) the owners of a majority of the  
14 assessed value of real property in the district as  
15 determined by the most recent certified county  
16 property tax rolls; or

17 (2) at least 50 persons who own land in the  
18 district, if there are more than 50 persons who own  
19 property in the district as determined by the most  
20 recent certified county property tax rolls.

21 Revisor's Note

22 Section 376.275, Local Government Code, refers to  
23 "the most recent certified [Harris] county property  
24 tax rolls." The revised law substitutes a reference to  
25 "the most recent certified tax appraisal roll for  
26 Harris County" to conform to the terminology of Title  
27 1, Tax Code, including Section 26.01 of that code,  
28 requiring the chief appraiser of an appraisal district  
29 to certify to the tax assessor of each taxing unit that  
30 has property in the appraisal district an appraisal  
31 roll that lists the properties taxable by that taxing  
32 unit and the value of those properties.

33 Revised Law

34 Sec. 3807.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
35 board by resolution shall establish the number of directors'  
36 signatures and the procedure required for a disbursement or  
37 transfer of the district's money. (Loc. Gov. Code, Sec. 376.277.)

38 Source Law

39 Sec. 376.277. DISBURSEMENTS OR TRANSFERS OF  
40 FUNDS. The board by resolution shall establish the  
41 number of directors' signatures and the procedure  
42 required for a disbursement or transfer of the

1 district's money.

2 Revised Law

3 Sec. 3807.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
4 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
5 or impact fee requires a vote of a majority of the directors  
6 serving. (Loc. Gov. Code, Sec. 376.269(b) (part).)

7 Source Law

8 (b) . . . The imposition of a tax, assessment,  
9 or impact fee requires a vote of a majority of the  
10 directors serving. . . .

11 Revised Law

12 Sec. 3807.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
13 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
14 tax, assessment, or impact fee as provided by Chapter 375, Local  
15 Government Code, to provide an improvement or a service for a  
16 project or activity the district may acquire, construct, improve,  
17 or provide under this chapter. (Loc. Gov. Code, Sec. 376.271  
18 (part).)

19 Source Law

20 Sec. 376.271. . . . The district has:  
21 . . .  
22 (4) the power to impose ad valorem taxes,  
23 assessments, or impact fees in accordance with Chapter  
24 375 to provide improvements and services for a project  
25 or activity the district is authorized to acquire,  
26 construct, improve, or provide under this subchapter;  
27 and  
28 . . .

29 Revised Law

30 Sec. 3807.155. MAINTENANCE TAX. (a) If authorized at an  
31 election held in accordance with Section 3807.159, the district may  
32 impose an annual ad valorem tax on taxable property in the district  
33 to:

- 34 (1) maintain and operate the district and the  
35 improvements constructed or acquired by the district; or
- 36 (2) provide a service.

37 (b) The board shall determine the tax rate. (Loc. Gov.  
38 Code, Sec. 376.283.)

1 Source Law

2 Sec. 376.283. MAINTENANCE TAX. (a) If  
3 authorized at an election held in accordance with  
4 Section 376.281, the district may impose and collect  
5 an annual ad valorem tax on taxable property in the  
6 district for the maintenance and operation of the  
7 district and the improvements constructed or acquired  
8 by the district or for the provision of services.

9 (b) The board shall determine the tax rate.

10 Revisor's Note

11 Section 376.283(a), Local Government Code,  
12 provides that the district may "impose and collect" an  
13 ad valorem tax. The revised law omits "and collect"  
14 because "impose" is the term generally used in Title 1,  
15 Tax Code, and includes the collection of an ad valorem  
16 tax.

17 Revised Law

18 Sec. 3807.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
19 The board by resolution may impose and collect an assessment for any  
20 purpose authorized by this chapter.

21 (b) An assessment, a reassessment, or an assessment  
22 resulting from an addition to or correction of the assessment roll  
23 by the district, penalties and interest on an assessment or  
24 reassessment, an expense of collection, and reasonable attorney's  
25 fees incurred by the district:

26 (1) are a first and prior lien against the property  
27 assessed;

28 (2) are superior to any other lien or claim other than  
29 a lien or claim for county, school district, or municipal ad valorem  
30 taxes; and

31 (3) are the personal liability of and a charge against  
32 the owners of the property even if the owners are not named in the  
33 assessment proceeding.

34 (c) The lien is effective from the date of the board's  
35 resolution imposing the assessment until the date the assessment is  
36 paid. The board may enforce the lien in the same manner that the  
37 board may enforce an ad valorem tax lien against real property.

38 (d) The board may correct, add to, or delete assessments

1 from its assessment rolls after notice and hearing as provided by  
2 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
3 Secs. 376.271 (part), 376.279.)

4 Source Law

5 Sec. 376.271. . . . The district has:

6 . . .  
7 (5) the power to correct, add to, or delete  
8 assessments from its assessment rolls after notice and  
9 hearing as provided by Subchapter F, Chapter 375.

10 Sec. 376.279. ASSESSMENTS. (a) The board may  
11 impose and collect an assessment for any purpose  
12 authorized by this subchapter.

13 (b) Assessments, reassessments, or assessments  
14 resulting from an addition to or correction of the  
15 assessment roll by the district, penalties and  
16 interest on an assessment or reassessment, expenses of  
17 collection, and reasonable attorney's fees incurred by  
18 the district:

19 (1) are a first and prior lien against the  
20 property assessed;

21 (2) are superior to any other lien or claim  
22 other than a lien or claim for county, school district,  
23 or municipal ad valorem taxes; and

24 (3) are the personal liability of and  
25 charge against the owners of the property even if the  
26 owners are not named in the assessment proceedings.

27 (c) The lien is effective from the date of the  
28 resolution of the board levying the assessment until  
29 the assessment is paid. The board may enforce the lien  
30 in the same manner that the board may enforce an ad  
31 valorem tax lien against real property.

32 Revisor's Note

33 Section 376.278(b), Local Government Code,  
34 authorizes the imposition and collection of  
35 assessments under Subchapter F, Chapter 375, Local  
36 Government Code. The revised law omits the provision  
37 as unnecessary. Section 376.267, Local Government  
38 Code (revised in this chapter as Section 3807.006),  
39 provides that Chapter 375, Local Government Code,  
40 applies to the district. It is not necessary to  
41 include in this revision a provision that merely  
42 grants the district powers under that chapter. The  
43 omitted law reads:

44 (b) . . . The board may impose and  
45 collect an assessment under Subchapter F,  
46 Chapter 375, for any purpose authorized by  
47 this subchapter or by Chapter 375.

1 Revised Law

2 Sec. 3807.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
3 ASSESSMENTS. (a) The district may not impose a tax, impact fee, or  
4 assessment on a residential property, multiunit residential  
5 property, or condominium.

6 (b) The district may not impose an impact fee or assessment  
7 on the property, equipment, or facilities of a person that provides  
8 to the public cable television, gas, light, power, telephone,  
9 sewage, or water service. (Loc. Gov. Code, Secs. 376.263(5),  
10 376.280.)

11 Source Law

12 [Sec. 376.263]

13 (5) "Utility" means a person that provides  
14 to the public cable television, gas, light, power,  
15 telephone, sewage, or water service.

16 Sec. 376.280. PROPERTY EXEMPTED FROM TAX, FEE,  
17 OR ASSESSMENT. (a) The district may not impose a tax,  
18 impact fee, or assessment on a residential property,  
19 multiunit residential property, or condominium.

20 (b) The district may not impose an impact fee or  
21 assessment on the property, equipment, or facilities  
22 of a utility.

23 Revised Law

24 Sec. 3807.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON.

25 (a) The district may issue bonds or other obligations payable in  
26 whole or in part from ad valorem taxes, assessments, impact fees,  
27 revenue, grants, or other money of the district, or any combination  
28 of those sources of money, to pay for any authorized purpose of the  
29 district.

30 (b) In exercising the district's borrowing power, the  
31 district may issue a bond or other obligation in the form of a bond,  
32 note, certificate of participation or other instrument evidencing a  
33 proportionate interest in payments to be made by the district, or  
34 other type of obligation.

35 (c) Except as provided by Subsection (d), the district must  
36 obtain the approval of the City of Houston:

37 (1) for the issuance of a bond for each improvement  
38 project;

1 (2) of the plans and specifications of the improvement  
2 project to be financed by the bond; and

3 (3) of the plans and specifications of a district  
4 improvement project related to:

5 (A) the use of land owned by the City of Houston;

6 (B) an easement granted by the City of Houston;

7 or

8 (C) a right-of-way of a street, road, or highway.

9 (d) If the district obtains the approval of the City of  
10 Houston of a capital improvements budget for a specified period not  
11 to exceed five years, the district may finance the capital  
12 improvements and issue bonds specified in the budget without  
13 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
14 376.278(a), (b) (part), (c), (d).)

15 Source Law

16 Sec. 376.278. BONDS. (a) The district may  
17 issue bonds or other obligations payable in whole or in  
18 part from ad valorem taxes, assessments, impact fees,  
19 revenues, grants, or other money of the district, or  
20 any combination of those sources of money, to pay for  
21 any authorized purpose of the district.

22 (b) Bonds or other obligations of the district  
23 may be issued in the form of bonds, notes, certificates  
24 of participation, including other instruments  
25 evidencing a proportionate interest in payments to be  
26 made by the district, or other obligations that are  
27 issued in the exercise of the district's borrowing  
28 power and may be issued in bearer or registered form or  
29 not represented by an instrument but the transfer of  
30 which is registered on books maintained by or on behalf  
31 of the district. . . .

32 (c) Except as provided by Subsection (d), the  
33 district must obtain the municipality's approval of:

34 (1) the issuance of bonds for an  
35 improvement project;

36 (2) the plans and specifications of the  
37 improvement project to be financed by the bonds; and

38 (3) the plans and specifications of a  
39 district improvement project related to:

40 (A) the use of land owned by the  
41 municipality;

42 (B) an easement granted by the  
43 municipality; or

44 (C) a right-of-way of a street, road,  
45 or highway.

46 (d) If the district obtains the municipality's  
47 approval of a capital improvements budget for a  
48 specified period not to exceed five years, the  
49 district may finance the capital improvements and  
50 issue bonds specified in the budget without further  
51 municipal approval.

1 Revisor's Note

2 (1) Section 376.278(b), Local Government Code,  
3 provides that obligations "may be issued in bearer or  
4 registered form or not represented by an instrument  
5 but the transfer of which is registered on books  
6 maintained by or on behalf of the district." The  
7 revised law omits the quoted language as unnecessary  
8 because it substantively duplicates Sections  
9 1201.022(a)(2) and 1201.023, Government Code. Section  
10 1201.022(a)(2) permits bearer or registered form.  
11 Section 1201.023 permits uncertificated book entry.  
12 Those sections apply to obligations issued under  
13 Section 376.278, Local Government Code, by application  
14 of Section 1201.002, Government Code.

15 (2) Section 376.278(e), Local Government Code,  
16 provides that, before issuing bonds the district must  
17 submit the bonds and the record of the district's bond  
18 proceedings to the attorney general for approval. The  
19 revised law omits Section 376.278(e) as unnecessary  
20 because it substantively duplicates Section 1202.003,  
21 Government Code. That section applies to bonds issued  
22 under Section 376.278, Local Government Code, by  
23 application of Section 1202.001, Government Code. The  
24 omitted law reads:

25 (e) Before the district issues bonds,  
26 the district shall submit the bonds and the  
27 record of proceedings of the district  
28 relating to authorization of the bonds to  
29 the attorney general for approval as  
30 provided by Chapter 1202, Government Code.

31 Revised Law

32 Sec. 3807.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
33 addition to the elections required under Subchapter L, Chapter 375,  
34 Local Government Code, the district must hold an election in the  
35 manner provided by that subchapter to obtain voter approval before  
36 the district may:

1           (1) impose a maintenance tax; or  
2           (2) issue a bond payable from ad valorem taxes or  
3 assessments.

4           (b) The board may submit multiple purposes in a single  
5 proposition at an election. (Loc. Gov. Code, Sec. 376.281.)

6   Source Law

7           Sec. 376.281. ELECTIONS. (a) In addition to  
8 the elections the district must hold under Subchapter  
9 L, Chapter 375, the district shall hold an election in  
10 the manner provided by that subchapter to obtain voter  
11 approval before the district imposes a maintenance tax  
12 or issues bonds payable from ad valorem taxes or  
13 assessments.

14           (b) The board may submit multiple purposes in a  
15 single proposition at an election.

16   Revisor's Note  
17   (End of Subchapter)

18           Section 376.282, Local Government Code, grants  
19 the district the power to impose impact fees as  
20 provided by Subchapter G, Chapter 375, Local  
21 Government Code. The revised law omits the section as  
22 unnecessary. Section 376.267, Local Government Code  
23 (revised in this chapter as Section 3807.006),  
24 provides that Chapter 375, Local Government Code,  
25 applies to the district. Therefore, it is not  
26 necessary to revise statutes that merely grant the  
27 district powers under that chapter. The omitted law  
28 reads:

29                                       Sec. 376.282. IMPACT FEES.        The  
30                                       district may impose an impact fee for an  
31                                       authorized purpose as provided by  
32                                       Subchapter G, Chapter 375.

33           [Sections 3807.160-3807.200 reserved for expansion]

34   SUBCHAPTER E. DISSOLUTION

35   Revised Law

36           Sec. 3807.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
37 DEBT. If the district has debt when it is dissolved, the district  
38 shall remain in existence solely for the purpose of discharging its  
39 bonds or obligations according to their terms. (Loc. Gov. Code,  
40 Sec. 376.285 (part).)

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Source Law

Sec. 376.285. . . . If the district has debt and is dissolved, the district shall remain in existence solely for the limited purpose of discharging its bonds or other obligations according to their terms.

Revisor's Note

Section 376.285, Local Government Code, grants the district the power to dissolve under Subchapter M, Chapter 375, Local Government Code. The revised law omits the language as unnecessary. Section 376.267, Local Government Code (revised in this chapter as Section 3807.006), provides that Chapter 375, Local Government Code, applies to the district. Therefore, it is not necessary to revise statutes that merely grant the district powers under that chapter. The omitted law reads:

Sec. 376.285. DISSOLUTION OF DISTRICT. The district may be dissolved as provided by Subchapter M, Chapter 375. . . .

CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

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1 [Sections 3808.055-3808.100 reserved for expansion]

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28 CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

29 SUBCHAPTER A. GENERAL PROVISIONS

30 Revised Law

31 Sec. 3808.001. DEFINITIONS. In this chapter:

32 (1) "Board" means the board of directors of the

33 district.

34 (2) "District" means the East Downtown Management

1 District. (Loc. Gov. Code, Secs. 376.303(1), (3).)

2 Source Law

3 Sec. 376.303. DEFINITIONS. In this subchapter:  
4 (1) "Board" means the board of directors  
5 of the district.

6 (3) "District" means the East Downtown  
7 Management District.

8 Revisor's Note

9 Sections 376.303(2) and (4), Local Government  
10 Code, respectively define "county" as Harris County  
11 and "municipality" as the City of Houston. The revised  
12 law omits the definitions for ease of understanding.  
13 Throughout this chapter, the revised law instead  
14 refers to Harris County and the City of Houston, unless  
15 the context clearly shows that the term "county" or  
16 "municipality" refers generally to any county or  
17 municipality. The omitted law reads:

18 (2) "County" means Harris  
19 County, Texas.

20 (4) "Municipality" means the  
21 City of Houston, Texas.

22 Revised Law

23 Sec. 3808.002. EAST DOWNTOWN MANAGEMENT DISTRICT. A  
24 special district known as the "East Downtown Management District"  
25 is a governmental agency and political subdivision of this state.  
26 (Loc. Gov. Code, Sec. 376.301(a).)

27 Source Law

28 Sec. 376.301. CREATION OF DISTRICT. (a) A  
29 special district to be known as the "East Downtown  
30 Management District" exists as a governmental agency,  
31 body politic and corporate, and political subdivision  
32 of the state.

33 Revisor's Note

34 (1) Section 376.301(a), Local Government Code,  
35 provides that the East Downtown Management District is  
36 a "governmental agency, body politic and corporate,  
37 and political subdivision of the state." The revised  
38 law omits "body politic and corporate" because the

1 meaning of those words is included in the meaning of  
2 "governmental agency" or "political subdivision of  
3 this state."

4 (2) Section 376.301(b), Local Government Code,  
5 states that the board may change the name of the  
6 district by resolution. The revised law omits the  
7 section because it duplicates Section 375.096(d),  
8 Local Government Code. Section 376.307, Local  
9 Government Code (revised in this chapter as Section  
10 3808.006), provides that Chapter 375, Local Government  
11 Code, applies to the district. Therefore, it is not  
12 necessary to revise statutes that duplicate provisions  
13 in that chapter. The omitted law reads:

14 (b) The name of the district may be  
15 changed by resolution of the board.

16 Revised Law

17 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
18 creation of the district is essential to accomplish the purposes of  
19 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
20 Texas Constitution, and other public purposes stated in this  
21 chapter. By creating the district and in authorizing Harris  
22 County, the City of Houston, and other political subdivisions to  
23 contract with the district, the legislature has established a  
24 program to accomplish the public purposes set out in Section 52-a,  
25 Article III, Texas Constitution.

26 (b) The creation of the district is necessary to promote,  
27 develop, encourage, and maintain employment, commerce,  
28 transportation, housing, tourism, recreation, the arts,  
29 entertainment, economic development, safety, and the public  
30 welfare in the east downtown area of the city of Houston.

31 (c) This chapter and the creation of the district may not be  
32 interpreted to relieve Harris County or the City of Houston from  
33 providing the level of services provided as of June 19, 1999, to the  
34 area in the district or to release the county or the city from the

1 obligations of each entity to provide services to that area. The  
2 district is created to supplement and not to supplant the county or  
3 city services provided in the area in the district. (Loc. Gov.  
4 Code, Secs. 376.301(c), 376.302.)

5 Source Law

6 [Sec. 376.301]

7 (c) The creation of the district is essential to  
8 accomplish the purposes of Section 52, Article III,  
9 Section 59, Article XVI, and Section 52-a, Article  
10 III, Texas Constitution, and other public purposes  
11 stated in this subchapter.

12 Sec. 376.302. DECLARATION OF INTENT. (a) The  
13 creation of the district is necessary to promote,  
14 develop, encourage, and maintain employment,  
15 commerce, transportation, housing, tourism,  
16 recreation, arts, entertainment, economic  
17 development, safety, and the public welfare in the  
18 east downtown area of the city of Houston.

19 (b) The creation of the district and this  
20 legislation are not to be interpreted to relieve the  
21 county or the municipality from providing the level of  
22 services, as of the effective date of this subchapter,  
23 to the area in the district or to release the county or  
24 the municipality from the obligations each entity has  
25 to provide services to that area. The district is  
26 created to supplement and not supplant the municipal  
27 or county services provided in the area in the  
28 district.

29 (c) By creating the district and in authorizing  
30 the municipality, county, and other political  
31 subdivisions to contract with the district, the  
32 legislature has established a program to accomplish  
33 the public purposes set out in Section 52-a, Article  
34 III, Texas Constitution.

35 Revisor's Note

36 Section 376.302(b), Local Government Code,  
37 refers to "the effective date of this subchapter,"  
38 meaning Subchapter H, Chapter 376, Local Government  
39 Code, as added by Chapter 1493, Acts of the 76th  
40 Legislature, Regular Session, 1999. That subchapter  
41 took effect June 19, 1999. The revised law substitutes  
42 that date for the quoted language.

43 Revised Law

44 Sec. 3808.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
45 The district is created to serve a public use and benefit.

46 (b) All land and other property included in the district  
47 will benefit from the improvements and services to be provided by  
48 the district under powers conferred by Sections 52 and 52-a,

1 Article III, and Section 59, Article XVI, Texas Constitution, and  
2 other powers granted under this chapter.

3 (c) The creation of the district is in the public interest  
4 and is essential to:

5 (1) further the public purposes of developing and  
6 diversifying the economy of the state;

7 (2) eliminate unemployment and underemployment; and

8 (3) develop or expand transportation and commerce.

9 (d) The district will:

10 (1) promote the health, safety, and general welfare of  
11 residents, employers, employees, visitors, and consumers in the  
12 district, and of the public;

13 (2) provide needed funding for the east downtown area  
14 of the city of Houston to preserve, maintain, and enhance the  
15 economic health and vitality of the area as a community and business  
16 center; and

17 (3) promote the health, safety, welfare, and enjoyment  
18 of the public by providing pedestrian ways and by landscaping and  
19 developing certain areas in the district, which are necessary for  
20 the restoration, preservation, and enhancement of scenic and  
21 aesthetic beauty.

22 (e) Pedestrian ways along or across a street, whether at  
23 grade or above or below the surface, and street lighting, street  
24 landscaping, and street art objects are parts of and necessary  
25 components of a street and are considered to be a street or road  
26 improvement.

27 (f) The district will not act as the agent or  
28 instrumentality of any private interest even though the district  
29 will benefit many private interests as well as the public. (Loc.  
30 Gov. Code, Sec. 376.306.)

31 Source Law

32 Sec. 376.306. FINDINGS OF BENEFIT AND PUBLIC  
33 PURPOSE. (a) All the land and other property included  
34 in the district will be benefited by the improvements  
35 and services to be provided by the district under  
36 powers conferred by Section 52, Article III, Section

1 59, Article XVI, and Section 52-a, Article III, Texas  
2 Constitution, and other powers granted under this  
3 subchapter, and the district is created to serve a  
4 public use and benefit.

5 (b) The creation of the district is in the  
6 public interest and is essential to:

7 (1) further the public purposes of the  
8 development and diversification of the economy of the  
9 state; and

10 (2) eliminate unemployment and  
11 underemployment and develop or expand transportation  
12 and commerce.

13 (c) The district will:

14 (1) promote the health, safety, and  
15 general welfare of residents, employers, employees,  
16 visitors, consumers in the district, and the general  
17 public;

18 (2) provide needed funding for the east  
19 downtown area of the city of Houston to preserve,  
20 maintain, and enhance the economic health and vitality  
21 of the area as a community and business center; and

22 (3) further promote the health, safety,  
23 welfare, and enjoyment of the public by providing  
24 pedestrian ways and by landscaping and developing  
25 certain areas in the district, which are necessary for  
26 the restoration, preservation, and enhancement of  
27 scenic and aesthetic beauty.

28 (d) Pedestrian ways along or across a street,  
29 whether at grade or above or below the surface, and  
30 street lighting, street landscaping, and street art  
31 objects are parts of and necessary components of a  
32 street and are considered to be a street or road  
33 improvement.

34 (e) The district will not act as the agent or  
35 instrumentality of any private interest even though  
36 many private interests will be benefited by the  
37 district, as will the general public.

38 Revised Law

39 Sec. 3808.005. DISTRICT TERRITORY. (a) The district is  
40 composed of the territory described by Section 1, Chapter 1493,  
41 Acts of the 76th Legislature, Regular Session, 1999, enacting  
42 former Section 376.304, Local Government Code, as that territory  
43 may have been modified under:

44 (1) Section 3808.105 or its predecessor statute,  
45 former Section 376.327, Local Government Code;

46 (2) Subchapter J, Chapter 49, Water Code; or

47 (3) other law.

48 (b) The boundaries and field notes of the district contained  
49 in Section 1, Chapter 1493, Acts of the 76th Legislature, Regular  
50 Session, 1999, enacting former Section 376.304, Local Government  
51 Code, form a closure. A mistake in the field notes or in copying the  
52 field notes in the legislative process does not in any way affect:

1 (1) the district's organization, existence, and  
2 validity;

3 (2) the district's right to issue any type of bond,  
4 including a refunding bond, for a purpose for which the district is  
5 created or to pay the principal of and interest on the bond;

6 (3) the district's right to impose and collect an  
7 assessment or tax; or

8 (4) the legality or operation of the district or the  
9 board. (Loc. Gov. Code, Sec. 376.305; New.)

10 Source Law

11 Sec. 376.305. FINDINGS RELATED TO BOUNDARIES.  
12 The boundaries and field notes of the district form a  
13 closure. If a mistake is made in the field notes or in  
14 copying the field notes in the legislative process,  
15 the mistake does not in any way affect the:

16 (1) organization, existence, and validity  
17 of the district;

18 (2) right of the district to issue any type  
19 of bonds or refunding bonds for the purposes for which  
20 the district is created or to pay the principal of and  
21 interest on the bonds;

22 (3) right of the district to impose and  
23 collect assessments or taxes; or

24 (4) legality or operation of the district  
25 or its governing body.

26 Revisor's Note

27 The revision of the law governing the East  
28 Downtown Management District does not revise the  
29 statutory language describing the territory of the  
30 district to avoid the lengthy recitation of the  
31 description and because that description may not be  
32 accurate on the effective date of the revision or at  
33 the time of a later reading. For the reader's  
34 convenience, the revised law includes a reference to  
35 the statutory description of the district's territory  
36 and references to statutory authority to change the  
37 district's territory under Section 376.327, Local  
38 Government Code (revised in this chapter as Section  
39 3808.105), and under Subchapter J, Chapter 49, Water  
40 Code. Sections 375.043 and 375.044, Local Government  
41 Code, which apply to the district under Section

1 376.307, Local Government Code (revised in this  
2 chapter as Section 3808.006), provide that a  
3 management district may annex or exclude territory in  
4 the manner provided by Chapter 54, Water Code.  
5 Sections 54.701 through 54.727, Water Code, which  
6 provided for the annexation or exclusion of territory  
7 by a municipal utility district, were repealed by  
8 Section 43, Chapter 715, Acts of the 74th Legislature,  
9 Regular Session, 1995. Section 2 of that act added  
10 Chapter 49, Water Code, including Subchapter J of that  
11 chapter, which now provides for the annexation or  
12 exclusion of territory by a municipal utility  
13 district; the references in Sections 375.043 and  
14 375.044, Local Government Code, to the repealed  
15 annexation and exclusion provisions in Chapter 54,  
16 Water Code, may be considered to be references to the  
17 similar provisions in Chapter 49, Water Code, and the  
18 revised law reflects this change. The revised law also  
19 includes a reference to the general authority of the  
20 legislature to enact other laws to change the  
21 district's territory.

22 Revised Law

23 Sec. 3808.006. APPLICABILITY OF OTHER LAW. Except as  
24 otherwise provided by this chapter, Chapter 375, Local Government  
25 Code, applies to the district, the board, and district employees.  
26 (Loc. Gov. Code, Secs. 376.307, 376.311 (part).)

27 Source Law

28 Sec. 376.307. APPLICATION OF OTHER LAW. Except  
29 as otherwise provided by this subchapter, Chapter 375  
30 applies to the district and its governing body and  
31 employees.

32 Sec. 376.311. . . . The district has:  
33 . . .  
34 (2) the rights, powers, privileges,  
35 authority, and functions of a district created under  
36 Chapter 375;  
37 . . .

1 Revised Law

2 Sec. 3808.007. RELATION TO OTHER LAW. This chapter  
3 prevails over any provision of general law, including a law to which  
4 this chapter refers that is in conflict with or is inconsistent with  
5 this chapter. (Loc. Gov. Code, Sec. 376.314 (part).)

6 Source Law

7 Sec. 376.314. RELATION TO OTHER LAW. If any  
8 provision of general law, including a law referenced  
9 in this subchapter, is in conflict with or is  
10 inconsistent with this subchapter, this subchapter  
11 prevails. . . .

12 Revisor's Note

13 Section 376.314, Local Government Code, provides  
14 for the adoption and incorporation by reference of  
15 laws to which Subchapter H, Chapter 376, Local  
16 Government Code, refers. The revised law omits the  
17 provision as unnecessary. Because this chapter  
18 references the laws that apply to the district, it is  
19 not necessary to duplicate the substance of those laws  
20 in this section by means of adoption and  
21 incorporation. The omitted law reads:

22 Sec. 376.314. . . . Any law  
23 referenced in this subchapter that is not in  
24 conflict or inconsistent with this  
25 subchapter is adopted and incorporated by  
26 reference.

27 Revised Law

28 Sec. 3808.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
29 chapter shall be liberally construed in conformity with the  
30 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
31 376.308.)

32 Source Law

33 Sec. 376.308. CONSTRUCTION OF SUBCHAPTER. This  
34 subchapter shall be liberally construed in conformity  
35 with the findings and purposes stated in this  
36 subchapter.

37 [Sections 3808.009-3808.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 3808.051. BOARD OF DIRECTORS; TERMS. (a) The district  
4 is governed by a board of 17 directors who serve staggered terms of  
5 four years, with nine directors' terms expiring June 1 of an  
6 odd-numbered year and eight directors' terms expiring June 1 of the  
7 following odd-numbered year.

8 (b) The board by resolution may increase or decrease the  
9 number of directors on the board, but only if it is in the best  
10 interest of the district to do so. The board may not:

- 11 (1) increase the number of directors to more than 30;  
12 or  
13 (2) decrease the number of directors to fewer than  
14 nine. (Loc. Gov. Code, Sec. 376.309(a).)

15 Source Law

16 Sec. 376.309. BOARD OF DIRECTORS IN GENERAL.  
17 (a) The district is governed by a board of 17  
18 directors who serve staggered terms of four years,  
19 with nine members' terms expiring June 1 of an  
20 odd-numbered year and eight members' terms expiring  
21 June 1 of the following odd-numbered year. The board  
22 may increase or decrease the number of directors on the  
23 board by resolution, provided that it is in the best  
24 interest of the district to do so and that the board  
25 consists of not fewer than 9 and not more than 30  
26 directors.

27 Revisor's Note

28 Section 376.309(b), Local Government Code,  
29 provides that Subchapter D, Chapter 375, Local  
30 Government Code, refers to the board of directors and  
31 the applicability of Subchapter D to the board to the  
32 extent that Subchapter D does not conflict with  
33 Subchapter H, Chapter 376, Local Government Code  
34 (revised as this chapter). The revised law omits this  
35 provision because it duplicates Section 376.307, Local  
36 Government Code (revised in this chapter as Section  
37 3808.006), and Section 376.314, Local Government Code  
38 (revised in this chapter as Section 3808.007). Revised  
39 Section 3808.006 provides that Chapter 375, Local

1 Government Code, applies to the district except as  
2 otherwise provided by this chapter and revised Section  
3 3808.007 provides that this chapter prevails over any  
4 law that is in conflict with or inconsistent with this  
5 chapter. The omitted law reads:

6 (b) Subchapter D, Chapter 375,  
7 applies to the board to the extent that  
8 subchapter does not conflict with this  
9 subchapter. . . . Directors may vote on any  
10 matter authorized by Subchapter D, Chapter  
11 375, and action may be taken by the board  
12 only if it is approved in the manner  
13 prescribed by Subchapter D, Chapter 375.

14 Revised Law

15 Sec. 3808.052. APPOINTMENT OF DIRECTORS. The mayor and  
16 members of the governing body of the City of Houston shall appoint  
17 directors from persons recommended by the board who meet the  
18 qualifications prescribed by Subchapter D, Chapter 375, Local  
19 Government Code. (Loc. Gov. Code, Sec. 376.310 (part).)

20 Source Law

21 Sec. 376.310. APPOINTMENT OF DIRECTORS;  
22 VACANCY. The mayor and members of the governing body  
23 of the municipality shall appoint directors from  
24 persons recommended by the board who meet the  
25 qualifications of Subchapter D, Chapter 375. . . .

26 Revisor's Note

27 Section 376.310, Local Government Code, refers to  
28 a vacancy in the office of a director "because of the  
29 death, resignation, or removal of a director" and  
30 provides for appointing a replacement. The revised  
31 law omits this provision because it substantively  
32 duplicates Section 375.066, Local Government Code.  
33 Section 376.307, Local Government Code (revised in  
34 this chapter as Section 3808.006), provides that  
35 Chapter 375, Local Government Code, applies to the  
36 district. Therefore, it is not necessary to revise  
37 statutes that duplicate provisions in that chapter.  
38 Although Section 375.066 does not refer to "the death,  
39 resignation, or removal of a director," that language

1 is unnecessary because the quoted language merely  
2 describes every manner in which a vacancy may occur  
3 without limiting in any way the board's duty to fill a  
4 vacancy. The omitted law reads:

5           Sec. 376.310. . . . A vacancy in  
6 the office of director because of the death,  
7 resignation, or removal of a director shall  
8 be filled by the remaining members of the  
9 board by appointing a qualified person for  
10 the unexpired term.

11                           Revised Law

12           Sec. 3808.053. EX OFFICIO DIRECTORS. (a) The following  
13 persons serve as nonvoting ex officio directors:

14                   (1) the directors of the parks and recreation,  
15 planning and development, public works, and civic center  
16 departments of the City of Houston;

17                   (2) the chief of police of the City of Houston;

18                   (3) the general manager of the Metropolitan Transit  
19 Authority of Harris County, Texas; and

20                   (4) the president of each institution of higher  
21 learning located in the district.

22           (b) If a department described by Subsection (a) is  
23 consolidated, renamed, or changed, the board may appoint a director  
24 of the consolidated, renamed, or changed department as a nonvoting  
25 ex officio director. If a department described by Subsection (a) is  
26 abolished, the board may appoint a representative of another  
27 department of the City of Houston that performs duties comparable  
28 to those performed by the abolished department.

29           (c) The board may appoint the presiding officer of a  
30 nonprofit corporation that is actively involved in activities in  
31 the east downtown area of the city of Houston to serve as a  
32 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.3125.)

33                           Source Law

34           Sec. 376.3125. EX OFFICIO BOARD MEMBERS. (a)  
35 The following persons shall serve as nonvoting ex  
36 officio directors:

37                   (1) the director of the following  
38 departments of the municipality:

39                           (A) parks and recreation;

1 (B) planning and development;  
2 (C) public works; and  
3 (D) civic center;  
4 (2) the municipality's chief of police;  
5 (3) the general manager of the  
6 Metropolitan Transit Authority; and  
7 (4) the presidents of any institutions of  
8 higher learning located in the district.

9 (b) If a department described by Subsection (a)  
10 is consolidated, renamed, or changed, the board may  
11 appoint a director of the consolidated, renamed, or  
12 changed department as a nonvoting ex officio board  
13 member. If a department described by Subsection (a) is  
14 abolished, the board may appoint a representative of  
15 another department of the municipality that performs  
16 duties comparable to those performed by the abolished  
17 department.

18 (c) The board may appoint the presiding officer  
19 of a nonprofit corporation that is actively involved  
20 in activities in the municipality's midtown area to  
21 serve as a nonvoting ex officio director.

22 Revisor's Note

23 Section 376.3125(c), Local Government Code,  
24 provides that the board of directors of the East  
25 Downtown Management District may appoint as a  
26 nonvoting ex officio director "the presiding officer  
27 of a nonprofit corporation that is actively involved  
28 in activities in the municipality's midtown area." The  
29 reference to the midtown area is a drafting error.  
30 Section 376.302(a), Local Government Code (revised in  
31 this chapter as Section 3808.003(b)), provides that  
32 the creation of the district is necessary to promote,  
33 develop, encourage, and maintain employment,  
34 commerce, transportation, housing, tourism,  
35 recreation, the arts, entertainment, economic  
36 development, safety, and the public welfare in "the  
37 east downtown area of the city of Houston." The intent  
38 of the legislature in creating the district was  
39 clearly to benefit the east downtown area of Houston,  
40 and it is inconsistent with that intent for the  
41 district's board of directors to include a member  
42 involved in activities in the midtown area of Houston.  
43 Accordingly, the revised law substitutes "the east  
44 downtown area of the city of Houston" for "the

1 municipality's midtown area."

2 Revised Law

3 Sec. 3808.054. CONFLICTS OF INTEREST. (a) Except as  
4 provided by this section:

5 (1) a director may participate in all board votes and  
6 decisions; and

7 (2) Chapter 171, Local Government Code, governs  
8 conflicts of interest of directors.

9 (b) Section 171.004, Local Government Code, does not apply  
10 to the district. A director who has a substantial interest in a  
11 business or charitable entity that will receive a pecuniary benefit  
12 from a board action shall file an affidavit with the board secretary  
13 declaring the interest. Another affidavit is not required if the  
14 director's interest changes.

15 (c) After the affidavit is filed, the director may  
16 participate in a discussion or vote on that action if:

17 (1) a majority of the directors have a similar  
18 interest in the same entity; or

19 (2) all other similar business or charitable entities  
20 in the district will receive a similar pecuniary benefit.

21 (d) A director who is also an officer or employee of a public  
22 entity may not participate in a discussion of or vote on a matter  
23 regarding a contract with that same public entity.

24 (e) For purposes of this section, a director has a  
25 substantial interest in a charitable entity in the same manner that  
26 a person would have a substantial interest in a business entity  
27 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
28 Sec. 376.3128.)

29 Source Law

30 Sec. 376.3128. CONFLICTS OF INTEREST; ONE-TIME  
31 AFFIDAVIT. (a) Except as provided in this section:

32 (1) a director may participate in all  
33 board votes and decisions; and

34 (2) Chapter 171 governs conflicts of  
35 interest for board members.

36 (b) Section 171.004 does not apply to the  
37 district. A director who has a substantial interest in  
38 a business or charitable entity that will receive a

1 pecuniary benefit from a board action shall file a  
2 one-time affidavit declaring the interest. An  
3 additional affidavit is not required if the director's  
4 interest changes. After the affidavit is filed with  
5 the board secretary, the director may participate in a  
6 discussion or vote on that action if:

7 (1) a majority of the directors have a  
8 similar interest in the same entity; or

9 (2) all other similar business or  
10 charitable entities in the district will receive a  
11 similar pecuniary benefit.

12 (c) A director who is also an officer or  
13 employee of a public entity may not participate in the  
14 discussion of or vote on a matter regarding a contract  
15 with that same public entity.

16 (d) For purposes of this section, a director has  
17 a substantial interest in a charitable entity in the  
18 same manner that a person would have a substantial  
19 interest in a business entity under Section 171.002.

20 [Sections 3808.055-3808.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Revised Law

23 Sec. 3808.101. DISTRICT POWERS. The district has:

24 (1) all powers necessary to accomplish the purposes  
25 for which the district was created;

26 (2) the powers given to a corporation under Section  
27 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
28 Texas Civil Statutes), and the power to own, operate, acquire,  
29 construct, lease, improve, and maintain projects; and

30 (3) the powers given to a housing finance corporation  
31 created under Chapter 394, Local Government Code, to provide  
32 housing or residential development projects in the district. (Loc.  
33 Gov. Code, Sec. 376.311 (part).)

34 Source Law

35 Sec. 376.311. POWERS OF DISTRICT. The district  
36 has:

37 (1) all powers necessary or required to  
38 accomplish the purposes for which the district was  
39 created;

40 . . .  
41 (3) the powers given to a corporation  
42 under Section 4B, Development Corporation Act of 1979  
43 (Article 5190.6, Vernon's Texas Civil Statutes), and  
44 the power to own, operate, acquire, construct, lease,  
45 improve, and maintain projects;

46 . . .  
47 (6) the powers given to a housing finance  
48 corporation created under Chapter 394 to provide  
49 housing or residential development projects in the  
50 district.

1 Revisor's Note

2 Section 376.311(1), Local Government Code,  
3 refers to powers "necessary or required" to accomplish  
4 the purposes of the district. The revised law omits  
5 "required" because, in this context, it is included in  
6 the meaning of "necessary."

7 Revised Law

8 Sec. 3808.102. NONPROFIT CORPORATION. (a) The board by  
9 resolution may authorize the creation of a nonprofit corporation to  
10 assist and act for the district in implementing a project or  
11 providing a service authorized by this chapter.

12 (b) The nonprofit corporation:

13 (1) has each power of and is considered for purposes of  
14 this chapter to be a local government corporation created under  
15 Chapter 431, Transportation Code; and

16 (2) may implement any project and provide any service  
17 authorized by this chapter.

18 (c) The board shall appoint the board of directors of the  
19 nonprofit corporation. The board of directors of the nonprofit  
20 corporation shall serve in the same manner as, for the same term as,  
21 and on the conditions of the board of directors of a local  
22 government corporation created under Chapter 431, Transportation  
23 Code. (Loc. Gov. Code, Sec. 376.316.)

24 Source Law

25 Sec. 376.316. NONPROFIT CORPORATION. (a) The  
26 board by resolution may authorize the creation of a  
27 nonprofit corporation to assist and act on behalf of  
28 the district in implementing a project or providing a  
29 service authorized by this subchapter.

30 (b) The board shall appoint the board of  
31 directors of a nonprofit corporation created under  
32 this section. The board of directors of the nonprofit  
33 corporation shall serve in the same manner as, for the  
34 same term as, and on the conditions of the board of  
35 directors of a local government corporation created  
36 under Chapter 431, Transportation Code.

37 (c) A nonprofit corporation created under this  
38 section has the powers of and is considered for  
39 purposes of this subchapter to be a local government  
40 corporation created under Chapter 431, Transportation  
41 Code.

42 (d) A nonprofit corporation created under this  
43 section may implement any project and provide any

1 services authorized by this subchapter.

2 Revised Law

3 Sec. 3808.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
4 protect the public interest, the district may contract with Harris  
5 County or the City of Houston for the county or the city to provide  
6 law enforcement services in the district for a fee.

7 (b) Harris County, the City of Houston, or another political  
8 subdivision of this state, without further authorization, may  
9 contract with the district to implement a project of the district or  
10 assist the district in providing a service authorized under this  
11 chapter. A contract under this subsection may:

12 (1) be for a period on which the parties agree;

13 (2) include terms on which the parties agree;

14 (3) be payable from taxes or any other source of  
15 revenue that may be available for that project or service; or

16 (4) provide terms under which taxes or other revenue  
17 collected at a district project or from a person using or purchasing  
18 a commodity or service at a district project may be paid or rebated  
19 to the district.

20 (c) The district may enter into a contract, lease, or other  
21 agreement with or make or accept a grant or loan to or from, or  
22 accept a donation from, any person, including:

23 (1) the United States;

24 (2) this state or a state agency;

25 (3) any political subdivision of this state; and

26 (4) a public or private corporation, including a  
27 nonprofit corporation created by the board under this subchapter.

28 (d) The district may perform all acts necessary for the full  
29 exercise of the powers vested in the district on terms and for the  
30 period the board determines advisable.

31 (e) The implementation of a project is a governmental  
32 function or service for purposes of Chapter 791, Government Code.  
33 (Loc. Gov. Code, Secs. 376.325, 376.328.)

1 Source Law

2 Sec. 376.325. CONTRACTS. (a) To protect the  
3 public interest, the district may contract with the  
4 municipality or the county for the municipality or  
5 county to provide law enforcement services in the  
6 district for a fee.

7 (b) The municipality, the county, or another  
8 political subdivision of the state, without further  
9 authorization, may contract with the district to  
10 implement a project of the district or assist the  
11 district in providing the services authorized under  
12 this subchapter. A contract under this subsection  
13 may:

14 (1) be for a period on which the parties  
15 agree;

16 (2) include terms on which the parties  
17 agree;

18 (3) be payable from taxes or any other  
19 sources of revenue that may be available for that  
20 purpose; or

21 (4) provide that taxes or other revenue  
22 collected at a district project or from a person using  
23 or purchasing a commodity or service at a district  
24 project may be paid or rebated to the district under  
25 the terms of the contract.

26 (c) The district may enter into a contract,  
27 lease, or other agreement with or make or accept grants  
28 and loans to or from:

29 (1) the United States;

30 (2) the state or a state agency;

31 (3) a county, a municipality, or another  
32 political subdivision of the state;

33 (4) a public or private corporation,  
34 including a nonprofit corporation created by the board  
35 under this subchapter; or

36 (5) any other person.

37 (d) The district may perform all acts necessary  
38 for the full exercise of the powers vested in the  
39 district on terms and for the period the board  
40 determines advisable.

41 Sec. 376.328. AGREEMENTS: GENERAL; DONATIONS,  
42 INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES.  
43 (a) The district may make an agreement with or accept  
44 a donation, grant, or loan from any person.

45 (b) The implementation of a project is a  
46 governmental function or service for the purposes of  
47 Chapter 791, Government Code.

48 (c) To protect the public interest, the district  
49 may contract with the municipality or the county for  
50 the municipality or county to provide law enforcement  
51 services in the district for a fee.

52 Revisor's Note

53 Section 376.325(c)(3), Local Government Code,  
54 refers to "a county, a municipality, or another  
55 political subdivision of the state." The revised law  
56 omits the references to "county" and "municipality"  
57 because "county" and "municipality" are included in  
58 the meaning of "political subdivision."

1 Revised Law

2 Sec. 3808.104. COMPETITIVE BIDDING. Section 375.221, Local  
3 Government Code, does not apply to a district contract for \$25,000  
4 or less. (Loc. Gov. Code, Sec. 376.326.)

5 Source Law

6 Sec. 376.326. COMPETITIVE BIDDING UNIT.  
7 Section 375.221 does not apply to the district unless  
8 the contract is for more than \$25,000.

9 Revised Law

10 Sec. 3808.105. ANNEXATION. In addition to the authority to  
11 annex territory under Subchapter C, Chapter 375, Local Government  
12 Code, the district has the authority to annex territory located in a  
13 reinvestment zone created by the City of Houston under Chapter 311,  
14 Tax Code, if the city's governing body consents to the annexation.  
15 (Loc. Gov. Code, Sec. 376.327.)

16 Source Law

17 Sec. 376.327. ANNEXATION. The district may:  
18 (1) annex territory as provided by  
19 Subchapter C, Chapter 375; and  
20 (2) annex territory located inside the  
21 boundaries of a reinvestment zone created by the  
22 municipality under Chapter 311, Tax Code, if the  
23 governing body of the municipality consents to the  
24 annexation.

25 Revisor's Note  
26 (End of Subchapter)

27 (1) Section 376.312, Local Government Code,  
28 prohibits the district from exercising the power of  
29 eminent domain. The revised law omits the section  
30 because it duplicates Section 375.094, Local  
31 Government Code. Section 376.307, Local Government  
32 Code (revised in this chapter as Section 3808.006),  
33 provides that Chapter 375, Local Government Code,  
34 applies to the district. Therefore, it is not  
35 necessary to revise statutes that duplicate provisions  
36 in that chapter. The omitted law reads:

37 Sec. 376.312. EMINENT DOMAIN. The  
38 district may not exercise the power of  
39 eminent domain.

40 (2) Section 376.313, Local Government Code,

1 provides that the district is solely responsible for  
2 expenses related to certain actions taken by the  
3 district and is liable for damages resulting from  
4 those actions. The revised law omits the section  
5 because it duplicates Section 375.093(c), Local  
6 Government Code. Section 376.307, Local Government  
7 Code (revised in this chapter as Section 3808.006),  
8 provides that Chapter 375, Local Government Code,  
9 applies to the district. Therefore, it is not  
10 necessary to revise statutes that duplicate provisions  
11 in that chapter. The omitted law reads:

12           Sec. 376.313. EXPENSES AND LIABILITY  
13 FOR CERTAIN ACTIONS AFFECTING PROPERTY.

14 (a) If the district, in exercising a power  
15 conferred by this subchapter, requires a  
16 relocation, adjustment, raising, lowering,  
17 rerouting, or changing of the grade or the  
18 construction of any of the following items,  
19 the district must take that required action  
20 at the sole expense of the district:

21           (1) a street, alley, highway,  
22 overpass, underpass, road, railroad track,  
23 bridge, facility, or other property;

24           (2) an electric line, conduit,  
25 facility, or other property;

26           (3) a telephone or telegraph  
27 line, conduit, facility, or other property;

28           (4) a gas transmission or  
29 distribution pipe, pipeline, main,  
30 facility, or other property;

31           (5) a water, sanitary sewer, or  
32 storm sewer pipe, pipeline, main, facility,  
33 or other property;

34           (6) a cable television line,  
35 cable, conduit, facility, or other  
36 property; or

37           (7) another pipeline, facility,  
38 or other property relating to the pipeline.

39 (b) The district shall bear damages  
40 that are suffered by owners of the facility  
41 or other property.

42 [Sections 3808.106-3808.150 reserved for expansion]

43           SUBCHAPTER D. FINANCIAL PROVISIONS

44                   Revised Law

45           Sec. 3808.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
46 IMPROVEMENTS. (a) The board may not finance a service or an  
47 improvement project under this chapter unless a written petition  
48 requesting that service or improvement is filed with the board.

1 (b) The petition must be signed by:

2 (1) the owners of a majority of the assessed value of  
3 real property in the district according to the most recent  
4 certified tax appraisal roll for Harris County; or

5 (2) at least 50 owners of land in the district, if more  
6 than 50 persons own property in the district according to the most  
7 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
8 Code, Sec. 376.315.)

9 Source Law

10 Sec. 376.315. REQUIREMENTS FOR FINANCING  
11 SERVICES AND IMPROVEMENTS. The board may not finance  
12 services and improvement projects under this  
13 subchapter unless a written petition requesting those  
14 improvements or services has been filed with the  
15 board. The petition must be signed by:

16 (1) the owners of a majority of the  
17 assessed value of real property in the district as  
18 determined by the most recent certified county  
19 property tax rolls; or

20 (2) at least 50 persons who own land in the  
21 district, if there are more than 50 persons who own  
22 property in the district as determined by the most  
23 recent certified county property tax rolls.

24 Revisor's Note

25 Section 376.315, Local Government Code, refers to  
26 "the most recent certified [Harris] county property  
27 tax rolls." The revised law substitutes a reference to  
28 "the most recent certified tax appraisal roll for  
29 Harris County" to conform to the terminology of Title  
30 1, Tax Code, including Section 26.01 of that code,  
31 requiring the chief appraiser of an appraisal district  
32 to certify to the tax assessor of each taxing unit that  
33 has property in the appraisal district an appraisal  
34 roll that lists the properties taxable by that taxing  
35 unit and the value of those properties.

36 Revised Law

37 Sec. 3808.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
38 board by resolution shall establish the number of directors'  
39 signatures and the procedure required for a disbursement or  
40 transfer of the district's money. (Loc. Gov. Code, Sec. 376.317.)

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Source Law

Sec. 376.317. DISBURSEMENTS OR TRANSFERS OF FUNDS. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Revised Law

Sec. 3808.153. BOARD VOTE REQUIRED TO IMPOSE TAXES, ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment, or impact fee requires a vote of a majority of the directors serving. (Loc. Gov. Code, Sec. 376.309(b) (part).)

Source Law

(b) . . . The imposition of a tax, assessment, or impact fee requires a vote of a majority of the directors serving . . . .

Revised Law

Sec. 3808.154. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, OR IMPACT FEES. The district may impose an ad valorem tax, assessment, or impact fee as provided by Chapter 375, Local Government Code, to provide an improvement or service for a project or activity the district may acquire, construct, improve, or provide under this chapter. (Loc. Gov. Code, Sec. 376.311 (part).)

Source Law

Sec. 376.311. . . . The district has:  
. . .  
(4) the power to impose ad valorem taxes, assessments, or impact fees in accordance with Chapter 375 to provide improvements and services for a project or activity the district is authorized to acquire, construct, improve, or provide under this subchapter;  
. . .

Revised Law

Sec. 3808.155. MAINTENANCE TAX. (a) If authorized at an election held in accordance with Section 3808.159, the district may impose an annual ad valorem tax on taxable property in the district to:

- (1) maintain and operate the district and the improvements constructed or acquired by the district; or
- (2) provide a service.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.323.)

1 Source Law

2 Sec. 376.323. MAINTENANCE TAX. (a) If  
3 authorized at an election held in accordance with  
4 Section 376.321, the district may impose and collect  
5 an annual ad valorem tax on taxable property in the  
6 district for the maintenance and operation of the  
7 district and the improvements constructed or acquired  
8 by the district or for the provision of services.

9 (b) The board shall determine the tax rate.

10 Revisor's Note

11 Section 376.323, Local Government Code, provides  
12 that the district may "impose and collect" an ad  
13 valorem tax. The revised law omits "and collect"  
14 because "impose" is the term generally used in Title 1,  
15 Tax Code, and includes the collection of an ad valorem  
16 tax.

17 Revised Law

18 Sec. 3808.156. ASSESSMENTS; LIEN FOR ASSESSMENTS. (a) The  
19 board by resolution may impose and collect an assessment for any  
20 purpose authorized by this chapter.

21 (b) An assessment, a reassessment, or an assessment  
22 resulting from an addition to or correction of the assessment roll  
23 by the district, penalties and interest on an assessment or  
24 reassessment, an expense of collection, and reasonable attorney's  
25 fees incurred by the district:

26 (1) are a first and prior lien against the property  
27 assessed;

28 (2) are superior to any other lien or claim other than  
29 a lien or claim for county, school district, or municipal ad valorem  
30 taxes; and

31 (3) are the personal liability of and charge against  
32 the owners of the property even if the owners are not named in the  
33 assessment proceeding.

34 (c) The lien is effective from the date of the board's  
35 resolution imposing the assessment until the date the assessment is  
36 paid. The board may enforce the lien in the same manner that the  
37 board may enforce an ad valorem tax lien against real property.

1 (d) The board may correct, add to, or delete assessments  
2 from its assessment rolls after notice and hearing as provided by  
3 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
4 Secs. 376.311 (part), 376.319.)

5 Source Law

6 Sec. 376.311. . . . The district has:

7 . . .  
8 (5) the power to correct, add to, or delete  
9 assessments from its assessment rolls after notice and  
10 hearing as provided by Subchapter F, Chapter 375; and  
11 . . .

12 Sec. 376.319. ASSESSMENTS. (a) The board may  
13 impose and collect an assessment for any purpose  
14 authorized by this subchapter.

15 (b) Assessments, reassessments, or assessments  
16 resulting from an addition to or correction of the  
17 assessment roll by the district, penalties and  
18 interest on an assessment or reassessment, expenses of  
19 collection, and reasonable attorney's fees incurred by  
20 the district:

21 (1) are a first and prior lien against the  
22 property assessed;

23 (2) are superior to any other lien or claim  
24 other than a lien or claim for county, school district,  
25 or municipal ad valorem taxes; and

26 (3) are the personal liability of and  
27 charge against the owners of the property even if the  
28 owners are not named in the assessment proceedings.

29 (c) The lien is effective from the date of the  
30 resolution of the board levying the assessment until  
31 the assessment is paid. The board may enforce the lien  
32 in the same manner that the board may enforce an ad  
33 valorem tax lien against real property.

34 Revisor's Note

35 Section 376.318(b), Local Government Code,  
36 authorizes the imposition and collection of  
37 assessments under Subchapter F, Chapter 375, Local  
38 Government Code. The revised law omits the provision  
39 as unnecessary. Section 376.307, Local Government  
40 Code (revised in this chapter as Section 3808.006),  
41 provides that Chapter 375, Local Government Code,  
42 applies to the district. It is not necessary to  
43 include in this revision a provision that merely  
44 grants the district powers under that chapter. The  
45 omitted law reads:

46 (b) . . . The board may impose and  
47 collect an assessment under Subchapter F,  
48 Chapter 375, for any purpose authorized by

1 this subchapter or by Chapter 375.

2 Revised Law

3 Sec. 3808.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
4 ASSESSMENTS. The district may not impose:

5 (1) a tax, impact fee, or assessment on a residential  
6 property or condominium; or

7 (2) an impact fee or assessment on the property,  
8 equipment, or facilities of a person that provides to the public  
9 cable television, gas, light, power, telephone, sewage, or water  
10 service. (Loc. Gov. Code, Secs. 376.303(5), 376.320.)

11 Source Law

12 [Sec. 376.303]

13 (5) "Utility" means a person that provides  
14 to the public cable television, gas, light, power,  
15 telephone, sewage, or water service.

16 Sec. 376.320. PROPERTY EXEMPTED FROM TAX, FEE,  
17 OR ASSESSMENT. (a) The district may not impose a tax,  
18 impact fee, or assessment on a residential property or  
19 condominium.

20 (b) The district may not impose an impact fee or  
21 assessment on the property, equipment, or facilities  
22 of a utility.

23 Revised Law

24 Sec. 3808.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON.

25 (a) The district may issue bonds or other obligations payable in  
26 whole or in part from ad valorem taxes, assessments, impact fees,  
27 revenue, grants, or other money of the district, or any combination  
28 of those sources of money, to pay for any authorized purpose of the  
29 district.

30 (b) In exercising the district's borrowing power, the  
31 district may issue a bond or other obligation in the form of a bond,  
32 note, certificate of participation or other instrument evidencing a  
33 proportionate interest in payments to be made by the district, or  
34 other type of obligation.

35 (c) Except as provided by Subsection (d), the district must  
36 obtain the approval of the City of Houston:

37 (1) for the issuance of a bond for each improvement  
38 project;

39 (2) of the plans and specifications of the improvement

1 project to be financed by the bond; and

2 (3) of the plans and specifications of a district  
3 improvement project related to:

4 (A) the use of land owned by the City of Houston;

5 (B) an easement granted by the City of Houston;

6 or

7 (C) a right-of-way of a street, road, or highway.

8 (d) If the district obtains the approval of the City of  
9 Houston of a capital improvements budget for a specified period not  
10 to exceed five years, the district may finance the capital  
11 improvements and issue bonds specified in the budget without  
12 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
13 376.318(a), (b) (part), (c), (d).)

14 Source Law

15 Sec. 376.318. BONDS. (a) The district may  
16 issue bonds or other obligations payable in whole or in  
17 part from ad valorem taxes, assessments, impact fees,  
18 revenues, grants, or other money of the district, or  
19 any combination of those sources of money, to pay for  
20 any authorized purpose of the district.

21 (b) Bonds or other obligations of the district  
22 may be issued in the form of bonds, notes, certificates  
23 of participation, including other instruments  
24 evidencing a proportionate interest in payments to be  
25 made by the district, or other obligations that are  
26 issued in the exercise of the district's borrowing  
27 power and may be issued in bearer or registered form or  
28 not represented by an instrument but the transfer of  
29 which is registered on books maintained by or on behalf  
30 of the district. . . .

31 (c) Except as provided by Subsection (d), the  
32 district must obtain the municipality's approval of:

33 (1) the issuance of bonds for an  
34 improvement project;

35 (2) the plans and specifications of the  
36 improvement project to be financed by the bonds; and

37 (3) the plans and specifications of a  
38 district improvement project related to:

39 (A) the use of land owned by the  
40 municipality;

41 (B) an easement granted by the  
42 municipality; or

43 (C) a right-of-way of a street, road,  
44 or highway.

45 (d) If the district obtains the municipality's  
46 approval of a capital improvements budget for a  
47 specified period not to exceed five years, the  
48 district may finance the capital improvements and  
49 issue bonds specified in the budget without further  
50 municipal approval.

1 Revisor's Note

2 (1) Section 376.318(b), Local Government Code,  
3 provides that obligations "may be issued in bearer or  
4 registered form or not represented by an instrument  
5 but the transfer of which is registered on books  
6 maintained by or on behalf of the district." The  
7 revised law omits the quoted language as unnecessary  
8 because it substantively duplicates Sections  
9 1201.022(a)(2) and 1201.023, Government Code. Section  
10 1201.022(a)(2) permits bearer or registered form.  
11 Section 1201.023 permits uncertificated book entry.  
12 Those sections apply to obligations issued under  
13 Section 376.318, Local Government Code, by application  
14 of Section 1201.002, Government Code.

15 (2) Section 376.318(e), Local Government Code,  
16 provides that, before issuing bonds the district must  
17 submit the bonds and the record of the district's bond  
18 proceedings to the attorney general for approval. The  
19 revised law omits Section 376.318(e) as unnecessary  
20 because it substantively duplicates Section 1202.003,  
21 Government Code. That section applies to bonds issued  
22 under Section 376.318, Local Government Code, by  
23 application of Section 1202.001, Government Code. The  
24 omitted law reads:

25 (e) Before the district issues bonds,  
26 the district shall submit the bonds and the  
27 record of proceedings of the district  
28 relating to authorization of the bonds to  
29 the attorney general for approval as  
30 provided by Chapter 1202, Government Code.

31 Revised Law

32 Sec. 3808.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
33 addition to the elections required under Subchapter L, Chapter 375,  
34 Local Government Code, the district must hold an election in the  
35 manner provided by that subchapter to obtain voter approval before  
36 the district may:

- 1 (1) impose a maintenance tax; or  
2 (2) issue a bond payable from ad valorem taxes or  
3 assessments.

4 (b) The board may submit multiple purposes in a single  
5 proposition at an election. (Loc. Gov. Code, Sec. 376.321.)

6 Source Law

7 Sec. 376.321. ELECTIONS. (a) In addition to  
8 the elections the district must hold under Subchapter  
9 L, Chapter 375, the district shall hold an election in  
10 the manner provided by that subchapter to obtain voter  
11 approval before the district imposes a maintenance tax  
12 or issues bonds payable from ad valorem taxes or  
13 assessments.

14 (b) The board may submit multiple purposes in a  
15 single proposition at an election.

16 Revisor's Note  
17 (End of Subchapter)

18 Section 376.322, Local Government Code, grants  
19 the district the power to impose impact fees as  
20 provided by Subchapter G, Chapter 375, Local  
21 Government Code. The revised law omits the section as  
22 unnecessary. Section 376.307, Local Government Code  
23 (revised in this chapter as Section 3808.006),  
24 provides that Chapter 375, Local Government Code,  
25 applies to the district. Therefore, it is not  
26 necessary to revise statutes that merely grant the  
27 district powers under that chapter. The omitted law  
28 reads:

29 Sec. 376.322. IMPACT FEES. The  
30 district may impose an impact fee for an  
31 authorized purpose as provided by  
32 Subchapter G, Chapter 375.

33 [Sections 3808.160-3808.200 reserved for expansion]

34 SUBCHAPTER E. DISSOLUTION

35 Revised Law

36 Sec. 3808.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
37 DEBT. If the district has debt when it is dissolved, the district  
38 shall remain in existence solely for the purpose of discharging its  
39 other obligations according to their terms. (Loc. Gov. Code, Sec.  
40 376.324 (part).)

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Source Law

Sec. 376.324. DISSOLUTION OF DISTRICT. . . .  
If the district has debt and is dissolved, the district shall remain in existence solely for the limited purpose of discharging its bonds or other obligations according to their terms.

Revisor's Note

Section 376.324, Local Government Code, grants the district the power to dissolve under Subchapter M, Chapter 375, Local Government Code. The revised law omits the language as unnecessary. Section 376.307, Local Government Code (revised in this chapter as Section 3808.006), provides that Chapter 375, Local Government Code, applies to the district. Therefore, it is not necessary to revise statutes that merely grant the district powers under that chapter. The omitted law reads:

Sec. 376.324. DISSOLUTION OF DISTRICT. The district may be dissolved as provided by Subchapter M, Chapter 375. . . .

CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

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[Sections 3809.008-3809.050 reserved for expansion]

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[Sections 3809.055-3809.100 reserved for expansion]

1                                   SUBCHAPTER C. POWERS AND DUTIES

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31                                  CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

32                                  SUBCHAPTER A. GENERAL PROVISIONS

33   Revised Law

34                    Sec. 3809.001.   DEFINITIONS.   In this chapter:

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

3 (2) "District" means the Midtown Management District.  
4 (Loc. Gov. Code, Secs. 376.353(1), (3).)

5 Source Law

6 Sec. 376.353. DEFINITIONS. In this subchapter:  
7 (1) "Board" means the board of directors  
8 of the district.

9 (3) "District" means the Midtown  
10 Management District.

11 Revisor's Note

12 Sections 376.353(2) and (4), Local Government  
13 Code, respectively define "county" as Harris County  
14 and "municipality" as the City of Houston. The revised  
15 law omits the definitions for ease of understanding.  
16 Throughout this chapter, the revised law instead  
17 refers to Harris County and the City of Houston, unless  
18 the context clearly shows that the term "county" or  
19 "municipality" refers generally to any county or  
20 municipality. The omitted law reads:

21 (2) "County" means Harris  
22 County.

23 (4) "Municipality" means the  
24 City of Houston.

25 Revised Law

26 Sec. 3809.002. MIDTOWN MANAGEMENT DISTRICT. The Midtown  
27 Management District is a special district created under Section 59,  
28 Article XVI, Texas Constitution. (Loc. Gov. Code, Sec.  
29 376.351(a).)

30 Source Law

31 Sec. 376.351. CREATION OF DISTRICT. (a) The  
32 Midtown Management District is created as a special  
33 district under Section 59, Article XVI, Texas  
34 Constitution.

35 Revisor's Note

36 Section 376.351(b), Local Government Code,  
37 states that the board may change the name of the  
38 district by resolution. The revised law omits the

1 section because it duplicates Section 375.096(d),  
2 Local Government Code. Section 376.357, Local  
3 Government Code (revised in this chapter as Section  
4 3809.006), provides that Chapter 375, Local Government  
5 Code, applies to the district. Therefore, it is not  
6 necessary to revise statutes that duplicate provisions  
7 in that chapter. The omitted law reads:

8 (b) The board by resolution may  
9 change the district's name.

10 Revised Law

11 Sec. 3809.003. PURPOSE; DECLARATION OF INTENT. (a) The  
12 creation of the district is essential to accomplish the purposes of  
13 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
14 Texas Constitution, and other public purposes stated in this  
15 chapter. By creating the district and in authorizing Harris  
16 County, the City of Houston, and other political subdivisions to  
17 contract with the district, the legislature has established a  
18 program to accomplish the public purposes set out in Section 52-a,  
19 Article III, Texas Constitution.

20 (b) The creation of the district is necessary to promote,  
21 develop, encourage, and maintain employment, commerce,  
22 transportation, housing, tourism, recreation, the arts,  
23 entertainment, economic development, safety, and the public  
24 welfare in the midtown area of the city of Houston.

25 (c) This chapter and the creation of the district may not be  
26 interpreted to relieve Harris County or the City of Houston from  
27 providing the level of services provided as of August 30, 1999, to  
28 the area in the district or to release the county or the city from  
29 the obligations of each entity to provide services to that area.  
30 The district is created to supplement and not to supplant the county  
31 or city services provided in the area in the district. (Loc. Gov.  
32 Code, Secs. 376.351(c), 376.352.)

33 Source Law

34 [Sec. 376.351]

35 (c) The creation of the district is essential to

1 accomplish the purposes of Sections 52 and 52-a,  
2 Article III, and Section 59, Article XVI, Texas  
3 Constitution, and other public purposes stated in this  
4 subchapter.

5 Sec. 376.352. DECLARATION OF INTENT. (a) The  
6 creation of the district is necessary to promote,  
7 develop, encourage, and maintain employment,  
8 commerce, transportation, housing, tourism,  
9 recreation, arts, entertainment, economic  
10 development, safety, and the public welfare in the  
11 municipality's midtown area.

12 (b) The creation of the district and this  
13 legislation are not to be interpreted to relieve the  
14 county or the municipality from providing the level of  
15 services, as of the effective date of this subchapter,  
16 to the area in the district or to release the county or  
17 the municipality from the obligations each entity has  
18 to provide services to that area. The district is  
19 created to supplement and not supplant the municipal  
20 or county services provided in the area in the  
21 district.

22 (c) By creating the district and in authorizing  
23 the municipality, county, and other political  
24 subdivisions to contract with the district, the  
25 legislature has established a program to accomplish  
26 the public purposes set out in Section 52-a, Article  
27 III, Texas Constitution.

28 Revisor's Note

29 Section 376.352(b), Local Government Code,  
30 refers to "the effective date of this subchapter,"  
31 meaning Subchapter I, Chapter 376, Local Government  
32 Code, as added by Chapter 1017, Acts of the 76th  
33 Legislature, Regular Session, 1999. That subchapter  
34 took effect August 30, 1999. The revised law  
35 substitutes that date for the quoted language.

36 Revised Law

37 Sec. 3809.004. FINDINGS OF BENEFIT AND PUBLIC  
38 PURPOSE. (a) The district is created to serve a public use and  
39 benefit.

40 (b) All land and other property included in the district  
41 will benefit from the improvements and services to be provided by  
42 the district under powers conferred by Sections 52 and 52-a,  
43 Article III, and Section 59, Article XVI, Texas Constitution, and  
44 other powers granted under this chapter.

45 (c) The creation of the district is in the public interest  
46 and is essential to:

47 (1) further the public purposes of developing and

1 diversifying the economy of the state;

2 (2) eliminate unemployment and underemployment; and

3 (3) develop or expand transportation and commerce.

4 (d) The district will:

5 (1) promote the health, safety, and general welfare of  
6 residents, employers, employees, visitors, and consumers in the  
7 district, and of the public;

8 (2) provide needed funding for the midtown area of the  
9 city of Houston to preserve, maintain, and enhance the economic  
10 health and vitality of the area as a community and business center;  
11 and

12 (3) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic and  
16 aesthetic beauty.

17 (e) Pedestrian ways along or across a street, whether at  
18 grade or above or below the surface, and street lighting, street  
19 landscaping, and street art objects are parts of and necessary  
20 components of a street and are considered to be a street or road  
21 improvement.

22 (f) The district will not act as the agent or  
23 instrumentality of any private interest even though the district  
24 will benefit many private interests as well as the public. (Loc.  
25 Gov. Code, Sec. 376.356.)

26 Source Law

27 Sec. 376.356. FINDINGS OF BENEFIT AND PUBLIC  
28 PURPOSE. (a) All the land and other property  
29 included in the district will be benefited by the  
30 improvements and services to be provided by the  
31 district under powers conferred by Sections 52 and  
32 52-a, Article III, and Section 59, Article XVI, Texas  
33 Constitution, and other powers granted under this  
34 subchapter, and the district is created to serve a  
35 public use and benefit.

36 (b) The creation of the district is in the  
37 public interest and is essential to:

38 (1) further the public purposes of the  
39 development and diversification of the economy of the  
40 state; and

41 (2) eliminate unemployment and

1 underemployment and develop or expand transportation  
2 and commerce.

3 (c) The district will:

4 (1) promote the health, safety, and  
5 general welfare of residents, employers, employees,  
6 visitors, consumers in the district, and the general  
7 public;

8 (2) provide needed funding for the  
9 municipality's midtown area to preserve, maintain, and  
10 enhance the economic health and vitality of the area as  
11 a community and business center; and

12 (3) further promote the health, safety,  
13 welfare, and enjoyment of the public by providing  
14 pedestrian ways and by landscaping and developing  
15 certain areas in the district, which are necessary for  
16 the restoration, preservation, and enhancement of  
17 scenic and aesthetic beauty.

18 (d) Pedestrian ways along or across a street,  
19 whether at grade or above or below the surface, and  
20 street lighting, street landscaping, and street art  
21 objects are parts of and necessary components of a  
22 street and are considered to be a street or road  
23 improvement.

24 (e) The district will not act as the agent or  
25 instrumentality of any private interest even though  
26 many private interests will be benefited by the  
27 district, as will the general public.

28 Revised Law

29 Sec. 3809.005. DISTRICT TERRITORY. (a) The district is  
30 composed of the territory described by Section 1, Chapter 1017,  
31 Acts of the 76th Legislature, Regular Session, 1999, enacting  
32 former Section 376.304, Local Government Code, as that territory  
33 may have been modified under:

34 (1) Section 3809.107 or its predecessor statutes,  
35 former Section 376.316, Local Government Code, as added by Chapter  
36 1017, Acts of the 76th Legislature, Regular Session, 1999, and  
37 former Section 376.366, Local Government Code;

38 (2) Subchapter J, Chapter 49, Water Code; or

39 (3) other law.

40 (b) The boundaries and field notes of the district contained  
41 in Section 1, Chapter 1017, Acts of the 76th Legislature, Regular  
42 Session, 1999, enacting former Section 376.304, Local Government  
43 Code, form a closure. A mistake in the field notes or in copying the  
44 field notes in the legislative process does not affect the  
45 district's:

46 (1) organization, existence, or validity;

47 (2) right to issue any type of bond for a purpose for

1 which the district is created or to pay the principal of and  
2 interest on a bond;

3 (3) right to impose or collect an assessment; or

4 (4) legality or operation. (Loc. Gov. Code, Sec.  
5 376.355; New.)

6 Source Law

7 Sec. 376.355. FINDINGS RELATING TO BOUNDARIES.  
8 The boundaries and field notes of the district form a  
9 closure. If a mistake is made in the field notes or in  
10 copying the field notes in the legislative process, it  
11 does not affect the district's:

12 (1) organization, existence, or validity;

13 (2) right to issue any type of bond for the  
14 purposes for which the district is created or to pay  
15 the principal of and interest on a bond;

16 (3) right to impose or collect an  
17 assessment; or

18 (4) legality or operation.

19 Revisor's Note

20 The revision of the law governing the Midtown  
21 Management District does not revise the statutory  
22 language describing the territory of the district to  
23 avoid the lengthy recitation of the description and  
24 because that description may not be accurate on the  
25 effective date of the revision or at the time of a  
26 later reading. For the reader's convenience, the  
27 revised law includes a reference to the statutory  
28 description of the district's territory and references  
29 to statutory authority to change the district's  
30 territory under former Section 376.316, Local  
31 Government Code, as added by Chapter 1017, Acts of the  
32 76th Legislature, Regular Session, 1999, and former  
33 Section 376.366, Local Government Code (revised in  
34 this chapter as Section 3809.107), and under  
35 Subchapter J, Chapter 49, Water Code, which applies to  
36 the district under Section 49.001, Water Code. The  
37 revised law also includes a reference to the general  
38 authority of the legislature to enact other laws to  
39 change the district's territory.

1 Revised Law

2 Sec. 3809.006. APPLICABILITY OF OTHER LAW. Except as  
3 otherwise provided by this chapter, Chapter 375, Local Government  
4 Code, applies to the district, the board, and district employees.  
5 (Loc. Gov. Code, Sec. 376.357.)

6 Source Law

7 Sec. 376.357. APPLICATION OF OTHER LAW. Except  
8 as otherwise provided by this subchapter:

9 (1) Chapter 375 applies to the district,  
10 its governing body, and its employees; and

11 (2) the district has rights and powers of a  
12 district created under Chapter 375.

13 Revised Law

14 Sec. 3809.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
15 chapter shall be liberally construed in conformity with the  
16 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
17 376.358.)

18 Source Law

19 Sec. 376.358. LIBERAL CONSTRUCTION OF  
20 SUBCHAPTER. This subchapter shall be liberally  
21 construed in conformity with the findings and purposes  
22 stated in this subchapter.

23 [Sections 3809.008-3809.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Revised Law

26 Sec. 3809.051. BOARD OF DIRECTORS; TERMS. (a) The  
27 district is governed by a board of 17 directors who serve staggered  
28 terms of four years with eight directors' terms expiring June 1 of  
29 an odd-numbered year and nine directors' terms expiring June 1 of  
30 the following odd-numbered year.

31 (b) A director shall receive compensation as provided by  
32 Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.359.)

33 Source Law

34 Sec. 376.359. BOARD OF DIRECTORS IN GENERAL.

35 (a) The district is governed by a board of 17  
36 directors who serve staggered terms of four years,  
37 with eight directors' terms expiring June 1 of an  
38 odd-numbered year and nine directors' terms expiring  
39 June 1 of the following odd-numbered year.

40 (b) A director shall receive compensation as  
41 provided by Section 49.060, Water Code.

1 Revised Law

2 Sec. 3809.052. APPOINTMENT OF DIRECTORS; IMMUNITY. (a)  
3 The mayor and members of the governing body of the City of Houston  
4 shall appoint directors from persons recommended by the board. A  
5 person is appointed if a majority of the members and the mayor vote  
6 to appoint that person.

7 (b) A person may not be appointed to the board if the  
8 appointment of that person would result in fewer than two-thirds of  
9 the directors being residents of the city of Houston.

10 (c) District directors are public officials entitled to  
11 governmental immunity for their official actions. (Loc. Gov. Code,  
12 Sec. 376.360.)

13 Source Law

14 Sec. 376.360. APPOINTMENT OF DIRECTORS. (a)  
15 The mayor and members of the governing body of the  
16 municipality shall appoint directors from persons  
17 recommended by the board. A person is appointed if a  
18 majority of the members and the mayor vote to appoint  
19 that person.

20 (b) A person may not be appointed to the board if  
21 the appointment of that person would result in less  
22 than two-thirds of the directors residing in the  
23 municipality.

24 (c) District directors are public officials  
25 entitled to governmental immunity for their official  
26 actions.

27 Revised Law

28 Sec. 3809.053. EX OFFICIO DIRECTORS. (a) The following  
29 persons serve as nonvoting ex officio directors:

30 (1) the directors of the parks and recreation,  
31 planning and development, public works, and civic center  
32 departments of the City of Houston;

33 (2) the chief of police of the City of Houston;

34 (3) Harris County's general manager of the  
35 Metropolitan Transit Authority of Harris County, Texas; and

36 (4) the president of each institution of higher  
37 learning located in the district.

38 (b) If a department described by Subsection (a) is  
39 consolidated, renamed, or changed, the board may appoint a director  
40 of the consolidated, renamed, or changed department as a nonvoting

1 ex officio director. If a department described by Subsection (a) is  
2 abolished, the board may appoint a representative of another  
3 department of the City of Houston that performs duties comparable  
4 to those performed by the abolished department.

5 (c) The board may appoint the presiding officer of a  
6 nonprofit corporation that is actively involved in activities in  
7 the midtown area of the city of Houston to serve as a nonvoting ex  
8 officio director. (Loc. Gov. Code, Sec. 376.361.)

9 Source Law

10 Sec. 376.361. EX OFFICIO BOARD MEMBERS. (a)  
11 The following persons shall serve as a nonvoting ex  
12 officio director:

13 (1) the director of the following  
14 departments of the municipality:

- 15 (A) parks and recreation;  
16 (B) planning and development;  
17 (C) public works; and  
18 (D) civic center;

19 (2) the municipality's chief of police;

20 (3) the county's general manager of the  
21 Metropolitan Transit Authority; and

22 (4) the presidents of any institutions of  
23 higher learning located in the district.

24 (b) If a department described by Subsection (a)  
25 is consolidated, renamed, or changed, the board may  
26 appoint a director of the consolidated, renamed, or  
27 changed department as a nonvoting ex officio board  
28 member. If a department described by Subsection (a) is  
29 abolished, the board may appoint a representative of  
30 another department of the municipality that performs  
31 duties comparable to those performed by the abolished  
32 department.

33 (c) The board may appoint the presiding officer  
34 of a nonprofit corporation that is actively involved  
35 in activities in the municipality's midtown area to  
36 serve as a nonvoting ex officio director.

37 Revised Law

38 Sec. 3809.054. CONFLICTS OF INTEREST. (a) Except as  
39 provided by this section:

40 (1) a director may participate in all board votes and  
41 decisions; and

42 (2) Chapter 171, Local Government Code, governs  
43 conflicts of interest of board members.

44 (b) Section 171.004, Local Government Code, does not apply  
45 to the district. A director who has a substantial interest in a  
46 business or charitable entity that will receive a pecuniary benefit  
47 from a board action shall file an affidavit with the board secretary

1 declaring the interest. Another affidavit is not required if the  
2 director's interest changes.

3 (c) After the affidavit is filed, the director may  
4 participate in a discussion or vote on that action if:

5 (1) a majority of the directors have a similar  
6 interest in the same entity; or

7 (2) all other similar business or charitable entities  
8 in the district will receive a similar pecuniary benefit.

9 (d) A director who is also an officer or employee of a public  
10 entity may not participate in a discussion of or vote on a matter  
11 regarding a contract with that same public entity.

12 (e) For purposes of this section, a director has a  
13 substantial interest in a charitable entity in the same manner that  
14 a person would have a substantial interest in a business entity  
15 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
16 Sec. 376.362.)

17 Source Law

18 Sec. 376.362. CONFLICTS OF INTEREST; ONE-TIME  
19 AFFIDAVIT. (a) Except as provided in this section:

20 (1) a director may participate in all  
21 board votes and decisions; and

22 (2) Chapter 171 governs conflict of  
23 interests for board members.

24 (b) Section 171.004 does not apply to the  
25 district. A director who has a substantial interest in  
26 a business or charitable entity that will receive a  
27 pecuniary benefit from a board action shall file a  
28 one-time affidavit declaring the interest. An  
29 additional affidavit is not required if the director's  
30 interest changes. After the affidavit is filed with  
31 the board secretary, the director may participate in a  
32 discussion or vote on that action if:

33 (1) a majority of the directors have a  
34 similar interest in the same entity; or

35 (2) all other similar business or  
36 charitable entities in the district will receive a  
37 similar pecuniary benefit.

38 (c) A director who is also an officer or  
39 employee of a public entity may not participate in the  
40 discussion of or vote on a matter regarding a contract  
41 with that same public entity.

42 (d) For purposes of this section, a director has  
43 a substantial interest in a charitable entity in the  
44 same manner that a person would have a substantial  
45 interest in a business entity under Section 171.002.

46 [Sections 3809.055-3809.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Revised Law

3 Sec. 3809.101. DISTRICT POWERS. The district may exercise  
4 the powers given to:

5 (1) a corporation created under Section 4B,  
6 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
7 Civil Statutes); and

8 (2) a housing finance corporation created under  
9 Chapter 394, Local Government Code, to provide housing or  
10 residential development projects in the district. (Loc. Gov. Code,  
11 Secs. 376.363(a), (b).)

12 Source Law

13 Sec. 376.363. ADDITIONAL POWERS OF DISTRICT.  
14 (a) The district may exercise the powers given to a  
15 corporation created under Section 4B, Development  
16 Corporation Act of 1979 (Article 5190.6, Vernon's  
17 Texas Civil Statutes).

18 (b) The district may exercise the powers given  
19 to a housing finance corporation created under Chapter  
20 394 to provide housing or residential development  
21 projects in the district.

22 Revised Law

23 Sec. 3809.102. NONPROFIT CORPORATION. (a) The board by  
24 resolution may authorize the creation of a nonprofit corporation to  
25 assist and act for the district in implementing a project or  
26 providing a service authorized by this chapter.

27 (b) The nonprofit corporation:

28 (1) has each power of and is considered for purposes of  
29 this chapter to be a local government corporation created under  
30 Chapter 431, Transportation Code; and

31 (2) may implement any project and provide any service  
32 authorized by this chapter.

33 (c) The board shall appoint the board of directors of the  
34 nonprofit corporation. The board of directors of the nonprofit  
35 corporation shall serve in the same manner as, for the same term as,  
36 and on the conditions of the board of directors of a local  
37 government corporation created under Chapter 431, Transportation  
38 Code. (Loc. Gov. Code, Sec. 376.365.)

1 Source Law

2 Sec. 376.365. NONPROFIT CORPORATION. (a) The  
3 board by resolution may authorize the creation of a  
4 nonprofit corporation to assist and act on behalf of  
5 the district in implementing a project or providing a  
6 service authorized by this subchapter.

7 (b) The board shall appoint the board of  
8 directors of a nonprofit corporation created under  
9 this section. The board of directors of the nonprofit  
10 corporation shall serve in the same manner, term, and  
11 conditions as a board of directors of a local  
12 government corporation created under Chapter 431,  
13 Transportation Code.

14 (c) A nonprofit corporation created under this  
15 section has the powers of and is considered for  
16 purposes of this subchapter to be a local government  
17 corporation created under Chapter 431, Transportation  
18 Code.

19 (d) A nonprofit corporation created under this  
20 section may implement any project and provide any  
21 service authorized by this subchapter.

22 Revised Law

23 Sec. 3809.103. AGREEMENTS, DONATIONS, GRANTS, AND LOANS.

24 (a) The district may enter into an agreement with or accept a  
25 donation, grant, or loan from any person.

26 (b) The implementation of a project is a governmental  
27 function or service for the purposes of Chapter 791, Government  
28 Code. (Loc. Gov. Code, Secs. 376.364(a), (b).)

29 Source Law

30 Sec. 376.364. AGREEMENTS: GENERAL; DONATIONS,  
31 INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES.  
32 (a) The district may make an agreement with or accept  
33 a donation, grant, or loan from any person.

34 (b) The implementation of a project is a  
35 governmental function or service for the purposes of  
36 Chapter 791, Government Code.

37 Revised Law

38 Sec. 3809.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.

39 To protect the public interest, the district may contract with  
40 Harris County or the City of Houston for the county or the city to  
41 provide law enforcement services in the district for a fee. (Loc.  
42 Gov. Code, Sec. 376.364(c).)

43 Source Law

44 (c) To protect the public interest, the district  
45 may contract with the municipality or the county for  
46 the municipality or county to provide law enforcement  
47 services in the district for a fee.

1 Revised Law

2 Sec. 3809.105. COMPETITIVE BIDDING. Section 375.221,  
3 Local Government Code, does not apply to a district contract for  
4 \$25,000 or less. (Loc. Gov. Code, Sec. 376.375.)

5 Source Law

6 Sec. 376.375. COMPETITIVE BIDDING LIMIT.  
7 Section 375.221 does not apply to the district unless  
8 the contract is for more than \$25,000.

9 Revised Law

10 Sec. 3809.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS.

11 (a) Except as provided by Subsection (b), the district must obtain  
12 the approval of the City of Houston's governing body:

13 (1) for the issuance of a bond for each improvement  
14 project;

15 (2) of the plans and specifications of an improvement  
16 project financed by the bond; and

17 (3) of the plans and specifications of any district  
18 improvement project related to the use of land owned by the City of  
19 Houston, an easement granted by the City of Houston, or a  
20 right-of-way of a street, road, or highway.

21 (b) If the district obtains the approval of the City of  
22 Houston's governing body of a capital improvements budget for a  
23 period not to exceed five years, the district may finance the  
24 capital improvements and issue bonds specified in the budget  
25 without further approval of the City of Houston. (Loc. Gov. Code,  
26 Secs. 376.373(a), (b), (c).)

27 Source Law

28 Sec. 376.373. MUNICIPAL APPROVAL. (a) Except  
29 as provided by Subsection (b), the district must  
30 obtain approval from the municipality's governing body  
31 of:

32 (1) the issuance of bonds for an  
33 improvement project; and

34 (2) the plans and specifications of an  
35 improvement project financed by the bonds.

36 (b) If the district obtains approval from the  
37 municipality's governing body of a capital  
38 improvements budget for a period not to exceed five  
39 years, the district may finance the capital  
40 improvements and issue bonds specified in the budget  
41 without further approval from the municipality.

42 (c) The district must obtain approval from the

1 municipality's governing body of the plans and  
2 specifications of any district improvement project  
3 related to the use of land owned by the municipality,  
4 an easement granted by the municipality, or a  
5 right-of-way of a street, road, or highway.

6 Revised Law

7 Sec. 3809.107. ANNEXATION. In addition to the authority to  
8 annex territory under Subchapter C, Chapter 375, Local Government  
9 Code, the district has the authority to annex territory located in a  
10 reinvestment zone created by the City of Houston under Chapter 311,  
11 Tax Code, if the city's governing body consents to the annexation.  
12 (Loc. Gov. Code, Sec. 376.366.)

13 Source Law

14 Sec. 376.366. ANNEXATION. The district may:  
15 (1) annex territory as provided by  
16 Subchapter C, Chapter 375; and  
17 (2) annex territory located inside the  
18 boundaries of a reinvestment zone created by the  
19 municipality under Chapter 311, Tax Code, if the  
20 governing body of the municipality consents to the  
21 annexation.

22 [Sections 3809.108-3809.150 reserved for expansion]

23 SUBCHAPTER D. FINANCIAL PROVISIONS

24 Revised Law

25 Sec. 3809.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
26 IMPROVEMENTS. (a) The board may not finance a service or an  
27 improvement project under this chapter unless a written petition  
28 requesting that service or improvement is filed with the board.

29 (b) The petition must be signed by:

30 (1) the owners of a majority of the assessed value of  
31 real property in the district according to the most recent  
32 certified tax appraisal roll for Harris County; or

33 (2) at least 25 owners of land in the district, if more  
34 than 25 persons own property in the district according to the most  
35 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
36 Code, Sec. 376.367.)

37 Source Law

38 Sec. 376.367. PETITION REQUIRED FOR FINANCING  
39 SERVICES AND IMPROVEMENTS. The board may not finance a  
40 service or improvement project under this subchapter  
41 unless a written petition requesting the improvement  
42 or service has been filed with the board. The petition

1 must be signed by:

2 (1) the owners of a majority of the  
3 assessed value of real property in the district as  
4 determined by the most recent certified county  
5 property tax rolls; or

6 (2) at least 25 persons who own land in the  
7 district, if there are more than 25 persons who own  
8 property in the district as determined by the most  
9 recent certified county property tax rolls.

10 Revisor's Note

11 Section 376.367, Local Government Code, refers to  
12 "the most recent certified [Harris] county property  
13 tax rolls." The revised law substitutes a reference to  
14 "the most recent certified tax appraisal roll for  
15 Harris County" to conform to the terminology of Title  
16 1, Tax Code, including Section 26.01 of that code,  
17 requiring the chief appraiser of an appraisal district  
18 to certify to the tax assessor of each taxing unit that  
19 has property in the appraisal district an appraisal  
20 roll that lists the properties taxable by that taxing  
21 unit and the value of those properties.

22 Revised Law

23 Sec. 3809.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
24 board by resolution shall establish the number of directors'  
25 signatures and the procedure required for a disbursement or  
26 transfer of the district's money. (Loc. Gov. Code, Sec. 376.374.)

27 Source Law

28 Sec. 376.374. DISBURSEMENTS OR TRANSFERS OF  
29 FUNDS. The board by resolution shall establish the  
30 number of directors' signatures and the procedure  
31 required for a disbursement or transfer of the  
32 district's money.

33 Revised Law

34 Sec. 3809.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
35 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
36 tax, assessment, or impact fee as provided by Chapter 375, Local  
37 Government Code, on all property in the district, including  
38 industrial, commercial, or residential property, to finance:

39 (1) an improvement this chapter authorizes the  
40 district to construct or acquire; or

1 (2) a service this chapter authorizes the district to  
2 provide. (Loc. Gov. Code, Sec. 376.363(c).)

3 Source Law

4 (c) The district may impose an ad valorem tax,  
5 assessment, or impact fee in accordance with Chapter  
6 375 on all property in the district, including  
7 industrial, commercial, or residential property, to  
8 finance an improvement this subchapter authorizes the  
9 district to construct or acquire or a service this  
10 subchapter authorizes the district to provide.

11 Revised Law

12 Sec. 3809.154. MAINTENANCE TAX. (a) If authorized at an  
13 election held in accordance with Section 3809.158, the district may  
14 impose an annual ad valorem tax on taxable property in the district  
15 to:

16 (1) maintain and operate the district and the  
17 improvements constructed or acquired by the district; or

18 (2) provide a service.

19 (b) The board shall determine the tax rate. (Loc. Gov.  
20 Code, Sec. 376.369.)

21 Source Law

22 Sec. 376.369. MAINTENANCE TAX. (a) If  
23 authorized at an election held in accordance with  
24 Section 376.368, the district may impose and collect  
25 an annual ad valorem tax on taxable property in the  
26 district for the maintenance and operation of the  
27 district and the improvements constructed or acquired  
28 by the district or for the provision of services.

29 (b) The board shall determine the tax rate.

30 Revisor's Note

31 Section 376.369, Local Government Code, provides  
32 that the district may "impose and collect" an ad  
33 valorem tax. The revised law omits "and collect"  
34 because "impose" is the term generally used in Title 1,  
35 Tax Code, and includes the collection of an ad valorem  
36 tax.

37 Revised Law

38 Sec. 3809.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
39 The board by resolution may impose and collect an assessment for any  
40 purpose authorized by this chapter.

1 (b) An assessment, including an assessment resulting from  
2 an addition to or correction of the assessment roll by the district,  
3 a reassessment, penalties and interest on an assessment or  
4 reassessment, an expense of collection, and reasonable attorney's  
5 fees incurred by the district:

6 (1) are a first and prior lien against the property  
7 assessed;

8 (2) are superior to any other lien or claim other than  
9 a lien or claim for county, school district, or municipal ad valorem  
10 taxes; and

11 (3) are the personal liability of and a charge against  
12 the owners of the property even if the owners are not named in the  
13 assessment proceedings.

14 (c) The lien is effective from the date of the board's  
15 resolution imposing the assessment until the date the assessment is  
16 paid. The board may enforce the lien in the same manner that the  
17 board may enforce an ad valorem tax lien against real property.  
18 (Loc. Gov. Code, Sec. 376.370.)

19 Source Law

20 Sec. 376.370. ASSESSMENTS. (a) The board may  
21 impose and collect an assessment for any purpose  
22 authorized by this subchapter.

23 (b) Assessments, including assessments  
24 resulting from an addition to or correction of the  
25 assessment roll by the district, reassessments,  
26 penalties and interest on an assessment or  
27 reassessment, expenses of collection, and reasonable  
28 attorney's fees incurred by the district:

29 (1) are a first and prior lien against the  
30 property assessed;

31 (2) are superior to any other lien or claim  
32 other than a lien or claim for county, school district,  
33 or municipal ad valorem taxes; and

34 (3) are the personal liability of and  
35 charge against the owners of the property even if the  
36 owners are not named in the assessment proceedings.

37 (c) The lien is effective from the date of the  
38 resolution of the board imposing the assessment until  
39 the assessment is paid. The board may enforce the lien  
40 in the same manner that the board may enforce an ad  
41 valorem tax lien against real property.

42 Revised Law

43 Sec. 3809.156. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
44 IMPACT FEES. The district may not impose an assessment or impact

1 fee on the property of a person that provides to the public gas,  
2 electricity, telephone, sewage, or water service. (Loc. Gov. Code,  
3 Secs. 376.353(5), 376.372.)

4 Source Law

5 [Sec. 376.353]

6 (5) "Utility" means a person that provides  
7 to the public gas, electricity, telephone, sewage, or  
8 water service.

9 Sec. 376.372. UTILITIES. The district may not  
10 impose an assessment or impact fee on a utility's  
11 property.

12 Revised Law

13 Sec. 3809.157. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.  
14 Section 375.161, Local Government Code, does not apply to the  
15 district. (Loc. Gov. Code, Sec. 376.371.)

16 Source Law

17 Sec. 376.371. CERTAIN RESIDENTIAL PROPERTY NOT  
18 EXEMPT. Section 375.161 does not apply to the  
19 district.

20 Revised Law

21 Sec. 3809.158. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
22 addition to the elections required under Subchapter L, Chapter 375,  
23 Local Government Code, the district must hold an election in the  
24 manner provided by that subchapter to obtain voter approval before  
25 the district may:

26 (1) impose a maintenance tax; or

27 (2) issue a bond payable from ad valorem taxes or  
28 assessments.

29 (b) The board may include more than one purpose in a single  
30 proposition at an election. (Loc. Gov. Code, Sec. 376.368.)

31 Source Law

32 Sec. 376.368. ELECTIONS. (a) In addition to  
33 the elections the district must hold under Subchapter  
34 L, Chapter 375, the district shall hold an election in  
35 the manner provided by that subchapter to obtain voter  
36 approval before the district imposes a maintenance tax  
37 or issues bonds payable from ad valorem taxes or  
38 assessments.

39 (b) The board may include more than one purpose  
40 in a single proposition at an election.

1 Revised Law

2 Sec. 3809.159. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
3 OBLIGATIONS. Except as provided by Section 375.263, Local  
4 Government Code, a municipality is not required to pay a bond, note,  
5 or other obligation of the district. (Loc. Gov. Code, Sec.  
6 376.373(d).)

7 Source Law

8 (d) Except as provided by Section 375.263, a  
9 municipality is not obligated to pay any bonds, notes,  
10 or other obligations of the district.

11 [Sections 3809.160-3809.200 reserved for expansion]

12 SUBCHAPTER E. DISSOLUTION

13 Revised Law

14 Sec. 3809.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
15 DEBT. (a) The board may dissolve the district regardless of  
16 whether the district has debt. Section 375.264, Local Government  
17 Code, does not apply to the district.

18 (b) If the district has debt when it is dissolved, the  
19 district shall remain in existence solely for the purpose of  
20 discharging its debts. The dissolution is effective when all debts  
21 have been discharged. (Loc. Gov. Code, Sec. 376.376.)

22 Source Law

23 Sec. 376.376. EXCEPTION FOR DISSOLUTION OF  
24 DISTRICT WITH OUTSTANDING DEBT. (a) The board may  
25 vote to dissolve a district that has debt. If the vote  
26 is in favor of dissolution, the district shall remain  
27 in existence solely for the limited purpose of  
28 discharging its debts. The dissolution is effective  
29 when all debts have been discharged.

30 (b) Section 375.264 does not apply to the  
31 district.

32 CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

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1 SUBCHAPTER E. DISSOLUTION

2 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH  
3 OUTSTANDING DEBT . . . . . 394

4 CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Revised Law

7 Sec. 3810.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the board of directors of the  
9 district.

10 (2) "District" means the Harris County Municipal  
11 Management District No. 1. (Loc. Gov. Code, Secs. 376.403(1),  
12 (3).)

13 Source Law

14 Sec. 376.403. DEFINITIONS. In this  
15 subchapter:

16 (1) "Board" means the board of directors  
17 of the district.

18 (3) "District" means the Harris County  
19 Municipal Management District No. 1.

20 Revisor's Note

21 Sections 376.403(2) and (4), Local Government  
22 Code, respectively define "county" as Harris County  
23 and "municipality" as the City of Houston. The revised  
24 law omits the definitions for ease of understanding.  
25 Throughout this chapter, the revised law instead  
26 refers to Harris County and the City of Houston, unless  
27 the context clearly shows that the term "county" or  
28 "municipality" refers generally to any county or  
29 municipality. The omitted law reads:

30 (2) "County" means Harris  
31 County.

32 (4) "Municipality" means the  
33 City of Houston.

34 Revised Law

35 Sec. 3810.002. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT  
36 NO. 1. The Harris County Municipal Management District No. 1 is a  
37 special district created under Section 59, Article XVI, Texas

1 Constitution. (Loc. Gov. Code, Sec. 376.401(a).)

2 Source Law

3 Sec. 376.401. CREATION OF DISTRICT. (a) The  
4 Harris County Municipal Management District No. 1 is  
5 created as a special district under Section 59,  
6 Article XVI, Texas Constitution.

7 Revisor's Note

8 Section 376.401(b), Local Government Code,  
9 states that the board may change the name of the  
10 district by resolution. The revised law omits the  
11 section because it duplicates Section 375.096(d),  
12 Local Government Code. Section 376.407, Local  
13 Government Code (revised in this chapter as Section  
14 3810.006), provides that Chapter 375, Local Government  
15 Code, applies to the district. Therefore, it is not  
16 necessary to revise statutes that duplicate provisions  
17 in that chapter. The omitted law reads:

18 (b) The board by resolution may  
19 change the district's name.

20 Revised Law

21 Sec. 3810.003. PURPOSE; DECLARATION OF INTENT. (a) The  
22 creation of the district is essential to accomplish the purposes of  
23 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
24 Texas Constitution, and other public purposes stated in this  
25 chapter. By creating the district and in authorizing Harris  
26 County, the City of Houston, and other political subdivisions to  
27 contract with the district, the legislature has established a  
28 program to accomplish the public purposes set out in Section 52-a,  
29 Article III, Texas Constitution.

30 (b) The creation of the district is necessary to promote,  
31 develop, encourage, and maintain employment, commerce,  
32 transportation, housing, tourism, recreation, the arts,  
33 entertainment, economic development, safety, and the public  
34 welfare in the district.

35 (c) This chapter and the creation of the district may not be  
36 interpreted to relieve Harris County or the City of Houston from

1 providing the level of services provided as of June 18, 1999, to the  
2 area in the district or to release the county or the city from the  
3 obligations of each entity to provide services to that area. The  
4 district is created to supplement and not to supplant the county or  
5 city services provided in the area in the district. (Loc. Gov.  
6 Code, Secs. 376.401(c), 376.402.)

7 Source Law

8 [Sec. 376.401]

9 (c) The creation of the district is essential to  
10 accomplish the purposes of Sections 52 and 52-a,  
11 Article III, and Section 59, Article XVI, Texas  
12 Constitution, and other public purposes stated in this  
13 subchapter.

14 Sec. 376.402. DECLARATION OF INTENT. (a) The  
15 creation of the district is necessary to promote,  
16 develop, encourage, and maintain employment,  
17 commerce, transportation, housing, tourism,  
18 recreation, arts, entertainment, economic  
19 development, safety, and the public welfare in the  
20 district.

21 (b) The creation of the district and this  
22 legislation are not to be interpreted to relieve the  
23 county or the municipality from providing the level of  
24 services, as of the effective date of this subchapter,  
25 to the area in the district or to release the county or  
26 the municipality from the obligations each entity has  
27 to provide services to that area. The district is  
28 created to supplement and not supplant the municipal  
29 or county services provided in the area in the  
30 district.

31 (c) By creating the district and in authorizing  
32 the municipality, county, and other political  
33 subdivisions to contract with the district, the  
34 legislature has established a program to accomplish  
35 the public purposes set out in Section 52-a, Article  
36 III, Texas Constitution.

37 Revisor's Note

38 Section 376.402(b), Local Government Code,  
39 refers to "the effective date of this subchapter."  
40 That section was originally part of Subchapter H,  
41 Chapter 376, Local Government Code, as added by  
42 Chapter 1324, Acts of the 76th Legislature, Regular  
43 Session, 1999. The revised law substitutes June 18,  
44 1999, for the quoted language, because that is the date  
45 on which the subchapter took effect.

46 Revised Law

47 Sec. 3810.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
48 The district is created to serve a public use and benefit.

1 (b) All land and other property included in the district  
2 will benefit from the improvements and services to be provided by  
3 the district under powers conferred by Sections 52 and 52-a,  
4 Article III, and Section 59, Article XVI, Texas Constitution, and  
5 other powers granted under this chapter.

6 (c) The creation of the district is in the public interest  
7 and is essential to:

8 (1) further the public purposes of developing and  
9 diversifying the economy of the state;

10 (2) eliminate unemployment and underemployment; and

11 (3) develop or expand transportation and commerce.

12 (d) The district will:

13 (1) promote the health, safety, and general welfare of  
14 residents, employers, employees, visitors, and consumers in the  
15 district and of the public;

16 (2) provide needed funding to preserve, maintain, and  
17 enhance the economic health and vitality of the area as a community  
18 and business center; and

19 (3) promote the health, safety, welfare, and enjoyment  
20 of the public by providing pedestrian ways and by landscaping and  
21 developing certain areas in the district, which are necessary for  
22 the restoration, preservation, and enhancement of scenic and  
23 aesthetic beauty.

24 (e) Pedestrian ways along or across a street, whether at  
25 grade or above or below the surface, and street lighting, street  
26 landscaping, and street art objects are parts of and necessary  
27 components of a street and are considered to be a street or road  
28 improvement.

29 (f) The district may not act as the agent or instrumentality  
30 of any private interest even though the district will benefit many  
31 private interests as well as the public. (Loc. Gov. Code, Sec.  
32 376.406.)

33 Source Law

34 Sec. 376.406. FINDINGS OF BENEFIT AND PUBLIC

1 PURPOSE. (a) All the land and other property included  
2 in the district will be benefited by the improvements  
3 and services to be provided by the district under  
4 powers conferred by Sections 52 and 52-a, Article III,  
5 and Section 59, Article XVI, Texas Constitution, and  
6 other powers granted under this subchapter, and the  
7 district is created to serve a public use and benefit.

8 (b) The creation of the district is in the  
9 public interest and is essential to:

10 (1) further the public purposes of the  
11 development and diversification of the economy of the  
12 state; and

13 (2) eliminate unemployment and  
14 underemployment and develop or expand transportation  
15 and commerce.

16 (c) The district will:

17 (1) promote the health, safety, and  
18 general welfare of residents, employers, employees,  
19 visitors, consumers in the district, and the general  
20 public;

21 (2) provide needed funding to preserve,  
22 maintain, and enhance the economic health and vitality  
23 of the area as a community and business center; and

24 (3) further promote the health, safety,  
25 welfare, and enjoyment of the public by providing  
26 pedestrian ways and by landscaping and developing  
27 certain areas in the district, which are necessary for  
28 the restoration, preservation, and enhancement of  
29 scenic and aesthetic beauty.

30 (d) Pedestrian ways along or across a street,  
31 whether at grade or above or below the surface, and  
32 street lighting, street landscaping, and street art  
33 objects are parts of and necessary components of a  
34 street and are considered to be a street or road  
35 improvement.

36 (e) The district may not act as the agent or  
37 instrumentality of any private interest even though  
38 many private interests will be benefited by the  
39 district, as will the general public.

40 Revised Law

41 Sec. 3810.005. DISTRICT TERRITORY. (a) The district is  
42 composed of the territory described by Chapter 1324, Acts of the  
43 76th Legislature, Regular Session, 1999, enacting former Section  
44 376.304, Local Government Code, as that territory may have been  
45 modified under:

46 (1) Section 3810.107, or its predecessor statutes,  
47 former Section 376.316, Local Government Code, as added by Chapter  
48 1324, Acts of the 76th Legislature, Regular Session, 1999, and  
49 former Section 376.416, Local Government Code;

50 (2) Subchapter J, Chapter 49, Water Code; or

51 (3) other law.

52 (b) The boundaries and field notes of the district contained  
53 in Chapter 1324, Acts of the 76th Legislature, Regular Session,

1 1999, enacting former Section 376.304, Local Government Code, form  
2 a closure. A mistake in the field notes or in copying the field  
3 notes in the legislative process does not affect the district's:

- 4 (1) organization, existence, or validity;
- 5 (2) right to issue any type of bond for a purpose for  
6 which the district is created or to pay the principal of and  
7 interest on the bond;
- 8 (3) right to impose or collect an assessment or tax; or
- 9 (4) legality or operation. (Loc. Gov. Code, Sec.  
10 376.405; New.)

#### 11 Source Law

12 Sec. 376.405. FINDINGS RELATING TO BOUNDARIES.  
13 The boundaries and field notes of the district form a  
14 closure. If a mistake is made in the field notes or in  
15 copying the field notes in the legislative process, it  
16 does not affect the district's:

- 17 (1) organization, existence, or validity;
- 18 (2) right to issue any type of bond for the  
19 purposes for which the district is created or to pay  
20 the principal of and interest on a bond;
- 21 (3) right to impose or collect an  
22 assessment or taxes; or
- 23 (4) legality or operation.

#### 24 Revisor's Note

25 The revision of the law governing the Harris  
26 County Municipal Management District No. 1 does not  
27 revise the statutory language describing the territory  
28 of the district to avoid the lengthy recitation of the  
29 description and because that description may not be  
30 accurate on the effective date of the revision or at  
31 the time of a later reading. For the reader's  
32 convenience, the revised law includes a reference to  
33 the statutory description of the district's territory  
34 and references to statutory authority to change the  
35 district's territory under Section 376.416, Local  
36 Government Code (revised in this chapter as Section  
37 3810.107), and under Subchapter J, Chapter 49, Water  
38 Code, applicable to the district under Section 49.001  
39 of that chapter. The revised law also includes a

1 reference to the general authority of the legislature  
2 to enact other laws to change the district's territory.

3 Revised Law

4 Sec. 3810.006. APPLICABILITY OF OTHER LAW. Except as  
5 otherwise provided by this chapter, Chapter 375, Local Government  
6 Code, applies to the district. (Loc. Gov. Code, Sec. 376.407.)

7 Source Law

8 Sec. 376.407. APPLICATION OF OTHER LAW. Except  
9 as otherwise provided by this subchapter, Chapter 375  
10 applies to the district.

11 Revised Law

12 Sec. 3810.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
13 chapter shall be liberally construed in conformity with the  
14 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
15 376.408.)

16 Source Law

17 Sec. 376.408. LIBERAL CONSTRUCTION OF  
18 SUBCHAPTER. This subchapter shall be liberally  
19 construed in conformity with the findings and purposes  
20 stated in this subchapter.

21 [Sections 3810.008-3810.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Revised Law

24 Sec. 3810.051. BOARD OF DIRECTORS; TERMS. (a) The district  
25 is governed by a board of 11 directors who serve staggered terms of  
26 four years.

27 (b) A director shall receive compensation as provided by  
28 Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.409.)

29 Source Law

30 Sec. 376.409. BOARD OF DIRECTORS IN GENERAL.  
31 (a) The district is governed by a board of 11  
32 directors who serve staggered terms of four years.

33 (b) A director shall receive compensation as  
34 provided by Section 49.060, Water Code.

35 Revised Law

36 Sec. 3810.052. APPOINTMENT OF DIRECTORS. (a) The mayor and  
37 members of the governing body of the City of Houston shall appoint  
38 directors from persons recommended by the board. A person is

1 appointed if a majority of the members and the mayor vote to appoint  
2 the person.

3 (b) A person may not be appointed to the board if the  
4 appointment of that person would result in fewer than two-thirds of  
5 the directors being residents of the city of Houston. (Loc. Gov.  
6 Code, Sec. 376.410.)

7 Source Law

8 Sec. 376.410. APPOINTMENT OF DIRECTORS. (a)  
9 The mayor and members of the governing body of the  
10 municipality shall appoint directors from persons  
11 recommended by the board. A person is appointed if a  
12 majority of the members and the mayor vote to appoint  
13 that person.

14 (b) A person may not be appointed to the board if  
15 the appointment of that person would result in less  
16 than two-thirds of the directors residing in the  
17 municipality.

18 Revised Law

19 Sec. 3810.053. EX OFFICIO DIRECTORS. (a) The following  
20 persons serve as nonvoting ex officio directors:

21 (1) the directors of the parks and recreation,  
22 planning and development, public works, and civic center  
23 departments of the City of Houston;

24 (2) the chief of police of the City of Houston;

25 (3) Harris County's general manager of the  
26 Metropolitan Transit Authority of Harris County, Texas; and

27 (4) the president of each institution of higher  
28 learning located in the district.

29 (b) If a department described by Subsection (a) is  
30 consolidated, renamed, or changed, the board may appoint a director  
31 of the consolidated, renamed, or changed department as a nonvoting  
32 ex officio director. If a department described by Subsection (a) is  
33 abolished, the board may appoint a representative of another  
34 department of the City of Houston that performs duties comparable  
35 to those performed by the abolished department.

36 (c) The board may appoint the presiding officer of a  
37 nonprofit corporation actively involved in activities in the area  
38 of the district in the city of Houston to serve as a nonvoting ex

1 officio director. (Loc. Gov. Code, Sec. 376.411.)

2 Source Law

3 Sec. 376.411. EX OFFICIO BOARD MEMBERS. (a)  
4 The following persons shall serve as a nonvoting ex  
5 officio director:

6 (1) the director of the following  
7 departments of the municipality:

- 8 (A) parks and recreation;
- 9 (B) planning and development;
- 10 (C) public works; and
- 11 (D) civic center;

12 (2) the municipality's chief of police;

13 (3) the county's general manager of the  
14 Metropolitan Transit Authority; and

15 (4) the presidents of any institutions of  
16 higher learning located in the district.

17 (b) If a department described by Subsection (a)  
18 is consolidated, renamed, or changed, the board may  
19 appoint a director of the consolidated, renamed, or  
20 changed department as a nonvoting ex officio board  
21 member. If a department described by Subsection (a) is  
22 abolished, the board may appoint a representative of  
23 another department of the municipality that performs  
24 duties comparable to those performed by the abolished  
25 department.

26 (c) The board may appoint the presiding officer  
27 of a nonprofit corporation that is actively involved  
28 in activities in the municipality's midtown area to  
29 serve as a nonvoting ex officio director.

30 Revisor's Note

31 Section 376.411(c), Local Government Code,  
32 provides that the board of directors of the Harris  
33 County Municipal Management District No. 1 may appoint  
34 as a nonvoting ex officio director "the presiding  
35 officer of a nonprofit corporation that is actively  
36 involved in activities in the municipality's midtown  
37 area." The reference to the midtown area is a drafting  
38 error. Section 376.402(a), Local Government Code  
39 (revised in this chapter as Section 3810.003(b)),  
40 provides that the creation of the district is  
41 necessary to promote, develop, encourage, and maintain  
42 employment, commerce, transportation, housing,  
43 tourism, recreation, the arts, entertainment,  
44 economic development, safety, and the public welfare  
45 in "the district." The intent of the legislature in  
46 creating the district was to benefit the area in the  
47 district. Accordingly, the revised law substitutes

1 "the area of the district in the city of Houston" for  
2 "the municipality's midtown area."

3 Revised Law

4 Sec. 3810.054. CONFLICTS OF INTEREST. (a) Except as  
5 provided by this section:

6 (1) a director may participate in all board votes and  
7 decisions; and

8 (2) Chapter 171, Local Government Code, governs  
9 conflicts of interest of directors.

10 (b) Section 171.004, Local Government Code, does not apply  
11 to the district. A director who has a substantial interest in a  
12 business or charitable entity that will receive a pecuniary benefit  
13 from a board action shall file an affidavit with the board secretary  
14 declaring the interest. Another affidavit is not required if the  
15 director's interest changes.

16 (c) After the affidavit is filed, the director may  
17 participate in a discussion or vote on that action if:

18 (1) a majority of the directors have a similar  
19 interest in the same entity; or

20 (2) all other similar business or charitable entities  
21 in the district will receive a similar pecuniary benefit.

22 (d) A director who is also an officer or employee of a public  
23 entity may not participate in a discussion of or vote on a matter  
24 regarding a contract with that same public entity.

25 (e) For purposes of this section, a director has a  
26 substantial interest in a charitable entity in the same manner that  
27 a person would have a substantial interest in a business entity  
28 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
29 Sec. 376.412.)

30 Source Law

31 Sec. 376.412. CONFLICTS OF INTEREST; ONE-TIME  
32 AFFIDAVIT. (a) Except as provided in this section:

33 (1) a director may participate in all  
34 board votes and decisions; and

35 (2) Chapter 171 governs conflicts of  
36 interest for board members.

37 (b) Section 171.004 does not apply to the

1 district. A director who has a substantial interest in  
2 a business or charitable entity that will receive a  
3 pecuniary benefit from a board action shall file a  
4 one-time affidavit declaring the interest. An  
5 additional affidavit is not required if the director's  
6 interest changes. After the affidavit is filed with  
7 the board secretary, the director may participate in a  
8 discussion or vote on that action if:

9 (1) a majority of the directors have a  
10 similar interest in the same entity; or

11 (2) all other similar business or  
12 charitable entities in the district will receive a  
13 similar pecuniary benefit.

14 (c) A director who is also an officer or  
15 employee of a public entity may not participate in the  
16 discussion of or vote on a matter regarding a contract  
17 with that same public entity.

18 (d) For purposes of this section, a director has  
19 a substantial interest in a charitable entity in the  
20 same manner that a person would have a substantial  
21 interest in a business entity under Section 171.002.

22 [Sections 3810.055-3810.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Revised Law

25 Sec. 3810.101. DISTRICT POWERS. (a) The district may  
26 exercise the powers given to:

27 (1) a corporation created under Section 4B,  
28 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
29 Civil Statutes);

30 (2) a housing finance corporation created under  
31 Chapter 394, Local Government Code, to provide housing or  
32 residential development projects in the district; and

33 (3) an eligible political subdivision under Chapter  
34 221, Natural Resources Code.

35 (b) The district may exercise its powers in an area outside  
36 the district if the board determines that exercising that power  
37 benefits the district. (Loc. Gov. Code, Sec. 376.413.)

38 Source Law

39 Sec. 376.413. ADDITIONAL POWERS OF DISTRICT.  
40 (a) The district may exercise the powers given to a  
41 corporation created under Section 4B, Development  
42 Corporation Act of 1979 (Article 5190.6, Vernon's  
43 Texas Civil Statutes).

44 (b) The district may exercise the powers given  
45 to a housing finance corporation created under Chapter  
46 394 to provide housing or residential development  
47 projects in the district.

48 (c) The district may exercise the powers granted  
49 to an eligible political subdivision under Chapter  
50 221, Natural Resources Code.

1 (d) The district may exercise its powers in  
2 areas outside the boundaries of the district if the  
3 board determines that there is a benefit to the  
4 district in exercising that power.

5 Revised Law

6 Sec. 3810.102. NONPROFIT CORPORATION. (a) The board by  
7 resolution may authorize the creation of a nonprofit corporation to  
8 assist and act for the district in implementing a project or  
9 providing a service authorized by this chapter.

10 (b) The nonprofit corporation:

11 (1) has each power of and is considered for purposes of  
12 this chapter to be a local government corporation created under  
13 Chapter 431, Transportation Code; and

14 (2) may implement any project and provide any service  
15 authorized by this chapter.

16 (c) The board shall appoint the board of directors of the  
17 nonprofit corporation. The board of directors of the nonprofit  
18 corporation shall serve in the same manner as, for the same term as,  
19 and on the same conditions as the board of directors of a local  
20 government corporation created under Chapter 431, Transportation  
21 Code. (Loc. Gov. Code, Sec. 376.415.)

22 Source Law

23 Sec. 376.415. NONPROFIT CORPORATION. (a) The  
24 board by resolution may authorize the creation of a  
25 nonprofit corporation to assist and act on behalf of  
26 the district in implementing a project or providing a  
27 service authorized by this subchapter.

28 (b) The board shall appoint the board of  
29 directors of a nonprofit corporation created under  
30 this section. The board of directors of the nonprofit  
31 corporation shall serve in the same manner, term, and  
32 conditions as a board of directors of a local  
33 government corporation created under Chapter 431,  
34 Transportation Code.

35 (c) A nonprofit corporation created under this  
36 section has the powers of and is considered for  
37 purposes of this subchapter to be a local government  
38 corporation created under Chapter 431, Transportation  
39 Code.

40 (d) A nonprofit corporation created under this  
41 section may implement any project and provide any  
42 service authorized by this subchapter.

43 Revised Law

44 Sec. 3810.103. AGREEMENTS, DONATIONS, GRANTS, AND LOANS.

45 (a) The district may enter into an agreement with or accept a

1 donation, grant, or loan from any person.

2 (b) The implementation of a project is a governmental  
3 function or service for purposes of Chapter 791, Government Code.  
4 (Loc. Gov. Code, Secs. 376.414(a), (b).)

5 Source Law

6 Sec. 376.414. AGREEMENTS: GENERAL; DONATIONS,  
7 INTERLOCAL AGREEMENTS, AND LAW. (a) The district may  
8 make an agreement with or accept a donation, grant, or  
9 loan from any person.

10 (b) The implementation of a project is a  
11 governmental function or service for the purposes of  
12 Chapter 791, Government Code.

13 Revised Law

14 Sec. 3810.104. AUTHORITY TO CONTRACT FOR LAW  
15 ENFORCEMENT. To protect the public interest, the district may  
16 contract with Harris County or the City of Houston for the county or  
17 city to provide law enforcement services in the district for a fee.  
18 (Loc. Gov. Code, Sec. 376.414(c).)

19 Source Law

20 (c) To protect the public interest, the district  
21 may contract with the municipality or the county for  
22 the municipality or county to provide law enforcement  
23 services in the district for a fee.

24 Revised Law

25 Sec. 3810.105. COMPETITIVE BIDDING. Section 375.221, Local  
26 Government Code, does not apply to a district contract for \$25,000  
27 or less. (Loc. Gov. Code, Sec. 376.424.)

28 Source Law

29 Sec. 376.424. COMPETITIVE BIDDING LIMIT.  
30 Section 375.221 does not apply to the district unless  
31 the contract is for more than \$25,000.

32 Revised Law

33 Sec. 3810.106. APPROVAL BY CITY OF HOUSTON. (a) Except as  
34 provided by Subsection (b), the district must obtain approval from  
35 the City of Houston's governing body:

36 (1) for the issuance of a bond for each improvement  
37 project;

38 (2) of the plans and specifications of the improvement  
39 project to be financed by the bond; and

1 (3) of the plans and specifications of any district  
2 improvement project related to the use of land owned by the City of  
3 Houston, an easement granted by the City of Houston, or a  
4 right-of-way of a street, road, or highway.

5 (b) If the district obtains approval from the City of  
6 Houston's governing body of a capital improvements budget for a  
7 period not to exceed five years, the district may finance the  
8 capital improvements and issue bonds specified in the budget  
9 without further approval from the City of Houston. (Loc. Gov. Code,  
10 Secs. 376.422(a), (b), (c).)

11 Source Law

12 Sec. 376.422. MUNICIPAL APPROVAL. (a) Except  
13 as provided by Subsection (b), the district must  
14 obtain approval from the municipality's governing body  
15 of:

16 (1) the issuance of bonds for an  
17 improvement project; and

18 (2) the plans and specifications of an  
19 improvement project financed by the bonds.

20 (b) If the district obtains approval from the  
21 municipality's governing body of a capital  
22 improvements budget for a period not to exceed five  
23 years, the district may finance the capital  
24 improvements and issue bonds specified in the budget  
25 without further approval from the municipality.

26 (c) The district must obtain approval from the  
27 municipality's governing body of the plans and  
28 specifications of any district improvement project  
29 related to the use of land owned by the municipality,  
30 an easement granted by the municipality, or a  
31 right-of-way of a street, road, or highway.

32 Revised Law

33 Sec. 3810.107. ANNEXATION. In addition to the authority to  
34 annex territory under Subchapter C, Chapter 375, Local Government  
35 Code, the district has the authority to annex territory located in a  
36 reinvestment zone created by the City of Houston under Chapter 311,  
37 Tax Code, if the city's governing body consents to the annexation.  
38 (Loc. Gov. Code, Sec. 376.416.)

39 Source Law

40 Sec. 376.416. ANNEXATION. The district may:

41 (1) annex territory as provided by  
42 Subchapter C, Chapter 375; and

43 (2) annex territory located inside the  
44 boundaries of a reinvestment zone created by the  
45 municipality under Chapter 311, Tax Code, if the  
46 governing body of the municipality consents to the  
47 annexation.

1 [Sections 3810.108-3810.150 reserved for expansion]

2 SUBCHAPTER D. FINANCIAL PROVISIONS

3 Revised Law

4 Sec. 3810.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
5 IMPROVEMENTS. (a) The board may not finance a service or an  
6 improvement project under this chapter unless a written petition  
7 requesting that service or improvement is filed with the board.

8 (b) The petition must be signed by the owners of a majority  
9 of the assessed value of real property in the district according to  
10 the most recent certified tax appraisal roll for Harris County.  
11 (Loc. Gov. Code, Sec. 376.418.)

12 Source Law

13 Sec. 376.418. PETITION REQUIRED FOR FINANCING  
14 SERVICES AND IMPROVEMENTS. The board may not finance  
15 a service or improvement project under this subchapter  
16 unless a written petition requesting the improvement  
17 or service has been filed with the board. The petition  
18 must be signed by the owners of a majority of the  
19 assessed value of real property in the district as  
20 determined by the most recent certified county  
21 property tax rolls.

22 Revisor's Note

23 Section 376.418, Local Government Code, refers to  
24 "the most recent certified [Harris] county property  
25 tax rolls." The revised law substitutes a reference to  
26 "the most recent certified tax appraisal roll for  
27 Harris County" to conform to the terminology of Title  
28 1, Tax Code, including Section 26.01 of that code,  
29 requiring the chief appraiser of an appraisal district  
30 to certify to the tax assessor of each taxing unit that  
31 has property in the appraisal district an appraisal  
32 roll that lists the properties taxable by that taxing  
33 unit and the value of those properties.

34 Revised Law

35 Sec. 3810.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
36 board by resolution shall establish the number of directors'  
37 signatures and the procedure required for a disbursement or  
38 transfer of the district's money. (Loc. Gov. Code, Sec. 376.423.)

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Source Law

Sec. 376.423. DISBURSEMENTS OF TRANSFERS OF FUNDS. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Revised Law

Sec. 3810.153. MAINTENANCE TAX. (a) The district may impose an annual ad valorem tax on taxable property in the district to maintain and operate the district and the improvements constructed or acquired by the district or to provide a service only if:

(1) two-thirds of the directors vote in favor of imposing the tax; and

(2) the tax is authorized at an election held in accordance with Section 3810.156.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.420.)

Source Law

Sec. 376.420. MAINTENANCE TAX. (a) The district may impose and collect an annual ad valorem tax on taxable property in the district for the maintenance and operation of the district and the improvements constructed or acquired by the district or for the provision of services only if:

(1) two-thirds of the board members vote in favor of imposing the tax; and

(2) the tax is authorized at an election held in accordance with Section 376.419.

(b) The board shall determine the tax rate.

Revisor's Note

Section 376.420(a), Local Government Code, provides that the district may "impose and collect" an ad valorem tax. The revised law omits "and collect" because "impose" is the term generally used in Title 1, Tax Code, and includes the collection of an ad valorem tax.

Revised Law

Sec. 3810.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter only if two-thirds of the

1 directors vote in favor of imposing the assessment.

2 (b) An assessment, a reassessment, or an assessment  
3 resulting from an addition to or correction of the assessment roll  
4 by the district, penalties and interest on an assessment or  
5 reassessment, an expense of collection, and reasonable attorney's  
6 fees incurred by the district:

7 (1) are a first and prior lien against the property  
8 assessed;

9 (2) are superior to any other lien or claim other than  
10 a lien or claim for county, school district, or municipal ad valorem  
11 taxes; and

12 (3) are the personal liability of and a charge against  
13 the owners of the property even if the owners are not named in the  
14 assessment proceeding.

15 (c) The lien is effective from the date of the board's  
16 resolution imposing the assessment until the date the assessment is  
17 paid. The board may enforce the lien in the same manner that the  
18 board may enforce an ad valorem tax lien against real property.  
19 (Loc. Gov. Code, Sec. 376.417.)

20 Source Law

21 Sec. 376.417. ASSESSMENTS. (a) The board may  
22 impose and collect an assessment for any purpose  
23 authorized by this subchapter. The imposition of an  
24 assessment requires that two-thirds of the board  
25 members vote in favor of the imposition.

26 (b) Assessments, reassessments, or assessments  
27 resulting from an addition to or correction of the  
28 assessment roll by the district, penalties and  
29 interest on an assessment or reassessment, expenses of  
30 collection, and reasonable attorney's fees incurred by  
31 the district:

32 (1) are a first and prior lien against the  
33 property assessed;

34 (2) are superior to any other lien or claim  
35 other than a lien or claim for county, school district,  
36 or municipal ad valorem taxes; and

37 (3) are the personal liability of and  
38 charge against the owners of the property even if the  
39 owners are not named in the assessment proceedings.

40 (c) The lien is effective from the date of the  
41 resolution of the board levying the assessment until  
42 the assessment is paid. The board may enforce the lien  
43 in the same manner that the board may enforce an ad  
44 valorem tax lien against real property.

1 Revised Law

2 Sec. 3810.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
3 ASSESSMENTS. The district may not impose an impact fee or  
4 assessment on the property of a person who provides to the public  
5 gas, electric, telephone, sewage, or water service. (Loc. Gov.  
6 Code, Secs. 376.403(5), 376.421.)

7 Source Law

8 Sec. 376.403. DEFINITIONS. In this  
9 subchapter:

10 (5) "Utility" means a person that provides  
11 to the public gas, electricity, telephone, sewage, or  
12 water service.  
13

14 Sec. 376.421. UTILITIES. The district may not  
15 impose an assessment or impact fee on a utility's  
16 property.

17 Revised Law

18 Sec. 3810.156. ELECTIONS REGARDING TAXES OR  
19 BONDS. (a) In addition to the elections required under  
20 Subchapter L, Chapter 375, Local Government Code, the district must  
21 hold an election in the manner provided by that subchapter to obtain  
22 voter approval before the district may:

23 (1) impose a maintenance tax; or

24 (2) issue a bond payable from ad valorem taxes or  
25 assessments.

26 (b) The board may submit multiple purposes in a single  
27 proposition at an election. (Loc. Gov. Code, Sec. 376.419.)

28 Source Law

29 Sec. 376.419. ELECTIONS. (a) In addition to  
30 the elections the district must hold under Subchapter  
31 L, Chapter 375, the district shall hold an election in  
32 the manner provided by that subchapter to obtain voter  
33 approval before the district imposes a maintenance tax  
34 or issues bonds payable from ad valorem taxes or  
35 assessments.

36 (b) The board may include more than one purpose  
37 in a single proposition at an election.

38 Revised Law

39 Sec. 3810.157. MUNICIPALITY NOT OBLIGATED TO PAY DISTRICT  
40 OBLIGATIONS. Except as provided by Section 375.263, Local  
41 Government Code, a municipality is not obligated to pay a bond,

1 note, or other obligation of the district. (Loc. Gov. Code, Sec.  
2 376.422(d).)

3 Source Law

4 (d) Except as provided by Section 375.263, a  
5 municipality is not obligated to pay any bonds, notes,  
6 or other obligations of the district.

7 [Sections 3810.158-3810.200 reserved for expansion]

8 SUBCHAPTER E. DISSOLUTION

9 Revised Law

10 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
11 DEBT. (a) The board may dissolve the district regardless of  
12 whether the district has debt. Section 375.264, Local Government  
13 Code, does not apply to the district.

14 (b) If the district has debt when it is dissolved, the  
15 district shall remain in existence solely for the purpose of  
16 discharging its debts. The dissolution is effective when all debts  
17 have been discharged. (Loc. Gov. Code, Sec. 376.425.)

18 Source Law

19 Sec. 376.425. EXEMPTION FOR DISSOLUTION OF  
20 DISTRICT WITH OUTSTANDING DEBTS. (a) The board may  
21 vote to dissolve a district that has debt. If the vote  
22 is in favor of dissolution, the district shall remain  
23 in existence solely for the limited purpose of  
24 discharging its debts. The dissolution is effective  
25 when all debts have been discharged.

26 (b) Section 375.264 does not apply to the  
27 district.

28 CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

29 SUBCHAPTER A. GENERAL PROVISIONS

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1 CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 3811.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the board of directors of the  
6 district.

7 (2) "District" means the Near Northwest Management  
8 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
9 77th Leg., R.S., Ch. 418.)

10 Source Law

11 Sec. 376.453. DEFINITIONS. In this  
12 subchapter:

13 (1) "Board" means the board of directors  
14 of the district.

15 (3) "District" means the Near Northwest  
16 Management District.

17 Revisor's Note

18 Sections 376.453(2) and (4), Local Government  
19 Code, as added by Chapter 418, Acts of the 77th  
20 Legislature, Regular Session 2001, respectively  
21 define "county" as Harris County and "municipality" as  
22 the City of Houston. The revised law omits the  
23 definitions for ease of understanding. Throughout  
24 this chapter, the revised law instead refers to Harris  
25 County and the City of Houston, unless the context  
26 clearly shows that the term "county" or "municipality"  
27 refers generally to any county or municipality. The  
28 omitted law reads:

29 (2) "County" means Harris  
30 County, Texas.

31 (4) "Municipality" means the  
32 City of Houston, Texas.

33 Revised Law

34 Sec. 3811.002. NEAR NORTHWEST MANAGEMENT DISTRICT. A  
35 special district known as the "Near Northwest Management District"  
36 is a governmental agency and political subdivision of this state.  
37 (Loc. Gov. Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch.

1 418.)

2 Source Law

3 Sec. 376.451. CREATION OF DISTRICT. (a) A  
4 special district to be known as the "Near Northwest  
5 Management District" exists as a governmental agency,  
6 body politic and corporate, and political subdivision  
7 of the state.

8 Revisor's Note

9 (1) Section 376.451(a), Local Government Code,  
10 as added by Chapter 418, Acts of the 77th Legislature,  
11 Regular Session, 2001, provides that the Near  
12 Northwest Management District is a "governmental  
13 agency, body politic and corporate, and political  
14 subdivision of the state." The revised law omits "body  
15 politic and corporate" because the meaning of those  
16 words is included in the meaning of "governmental  
17 agency" and "political subdivision of the state."

18 (2) Section 376.451(b), Local Government Code,  
19 as added by Chapter 418, Acts of the 77th Legislature,  
20 Regular Session, 2001, states that the board may  
21 change the name of the district by resolution. The  
22 revised law omits the section because it duplicates  
23 Section 375.096(d), Local Government Code. Section  
24 376.457, Local Government Code, as added by Chapter  
25 418, Acts of the 77th Legislature, Regular Session,  
26 2001 (revised in this chapter as Section 3811.006),  
27 provides that Chapter 375, Local Government Code,  
28 applies to the district. Therefore, it is not  
29 necessary to revise statutes that duplicate provisions  
30 in that chapter. The omitted law reads:

31 (b) The name of the district may be  
32 changed by resolution of the board.

33 Revised Law

34 Sec. 3811.003. PURPOSE; DECLARATION OF INTENT. (a) The  
35 creation of the district is essential to accomplish the purposes of  
36 Sections 52 and 52-a, Article III, and Section 59, Article XVI,

1 Texas Constitution, and other public purposes stated in this  
2 chapter. By creating the district and in authorizing Harris  
3 County, the City of Houston, and other political subdivisions to  
4 contract with the district, the legislature has established a  
5 program to accomplish the public purposes set out in Section 52-a,  
6 Article III, Texas Constitution.

7 (b) The creation of the district is necessary to promote,  
8 develop, encourage, and maintain employment, commerce,  
9 transportation, housing, tourism, recreation, the arts,  
10 entertainment, economic development, safety, and the public  
11 welfare in the near northwest area of the city of Houston.

12 (c) This chapter and the creation of the district may not be  
13 interpreted to relieve Harris County or the City of Houston from  
14 providing the level of services provided as of May 28, 2001, to the  
15 area in the district or to release the county or the city from the  
16 obligations of each entity to provide services to that area. The  
17 district is created to supplement and not to supplant the county or  
18 city services provided in the area in the district. (Loc. Gov.  
19 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
20 418.)

21 Source Law

22 [Sec. 376.451]

23 (c) The creation of the district is essential to  
24 accomplish the purposes of Section 52, Article III,  
25 Section 59, Article XVI, and Section 52-a, Article  
26 III, Texas Constitution, and other public purposes  
27 stated in this subchapter.

28 Sec. 376.452. DECLARATION OF INTENT. (a) The  
29 creation of the district is necessary to promote,  
30 develop, encourage, and maintain employment,  
31 commerce, transportation, housing, tourism,  
32 recreation, arts, entertainment, economic  
33 development, safety, and the public welfare in the  
34 near northwest area of the city of Houston.

35 (b) The creation of the district and this  
36 legislation are not to be interpreted to relieve the  
37 county or the municipality from providing the level of  
38 services, as of the effective date of this subchapter,  
39 to the area in the district or to release the county or  
40 the municipality from the obligations each entity has  
41 to provide services to that area. The district is  
42 created to supplement and not supplant the municipal  
43 or county services provided in the area in the  
44 district.

45 (c) By creating the district and in authorizing  
46 the municipality, county, and other political

1 subdivisions to contract with the district, the  
2 legislature has established a program to accomplish  
3 the public purposes set out in Section 52-a, Article  
4 III, Texas Constitution.

5 Revisor's Note

6 Section 376.452(b), Local Government Code, as  
7 added by Chapter 418, Acts of the 77th Legislature,  
8 Regular Session, 2001, refers to "the effective date  
9 of this subchapter." Subchapter K, Chapter 376, Local  
10 Government Code, was enacted by Chapter 418, Acts of  
11 the 77th Legislature, Regular Session, 2001, which  
12 took effect May 28, 2001. Throughout this chapter, the  
13 revised law substitutes that date for the quoted  
14 language.

15 Revised Law

16 Sec. 3811.004. FINDINGS OF BENEFIT AND PUBLIC  
17 PURPOSE. (a) The district is created to serve a public use and  
18 benefit.

19 (b) All land and other property included in the district  
20 will benefit from the improvements and services to be provided by  
21 the district under powers conferred by Sections 52 and 52-a,  
22 Article III, and Section 59, Article XVI, Texas Constitution, and  
23 other powers granted under this chapter.

24 (c) The creation of the district is in the public interest  
25 and is essential to:

26 (1) further the public purposes of developing and  
27 diversifying the economy of the state;

28 (2) eliminate unemployment and underemployment; and

29 (3) develop or expand transportation and commerce.

30 (d) The district will:

31 (1) promote the health, safety, and general welfare of  
32 residents, employers, employees, visitors, and consumers in the  
33 district, and of the public;

34 (2) provide needed funding for the near northwest area  
35 of the city of Houston to preserve, maintain, and enhance the  
36 economic health and vitality of the area as a community and business

1 center; and

2 (3) promote the health, safety, welfare, and enjoyment  
3 of the public by providing pedestrian ways and by landscaping and  
4 developing certain areas in the district, which are necessary for  
5 the restoration, preservation, and enhancement of scenic and  
6 aesthetic beauty.

7 (e) Pedestrian ways along or across a street, whether at  
8 grade or above or below the surface, and street lighting, street  
9 landscaping, and street art objects are parts of and necessary  
10 components of a street and are considered to be a street or road  
11 improvement.

12 (f) The district will not act as the agent or  
13 instrumentality of any private interest even though the district  
14 will benefit many private interests as well as the public. (Loc.  
15 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 418.)

16 Source Law

17 Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC  
18 PURPOSE. (a) All the land and other property  
19 included in the district will be benefited by the  
20 improvements and services to be provided by the  
21 district under powers conferred by Section 52, Article  
22 III, Section 59, Article XVI, and Section 52-a,  
23 Article III, Texas Constitution, and other powers  
24 granted under this subchapter, and the district is  
25 created to serve a public use and benefit.

26 (b) The creation of the district is in the  
27 public interest and is essential to:

28 (1) further the public purposes of the  
29 development and diversification of the economy of the  
30 state; and

31 (2) eliminate unemployment and  
32 underemployment and develop or expand transportation  
33 and commerce.

34 (c) The district will:

35 (1) promote the health, safety, and  
36 general welfare of residents, employers, employees,  
37 visitors, consumers in the district, and the general  
38 public;

39 (2) provide needed funding for the near  
40 northwest area of the city of Houston to preserve,  
41 maintain, and enhance the economic health and vitality  
42 of the area as a community and business center; and

43 (3) further promote the health, safety,  
44 welfare, and enjoyment of the public by providing  
45 pedestrian ways and by landscaping and developing  
46 certain areas in the district, which are necessary for  
47 the restoration, preservation, and enhancement of  
48 scenic and aesthetic beauty.

49 (d) Pedestrian ways along or across a street,  
50 whether at grade or above or below the surface, and  
51 street lighting, street landscaping, and street art

1 objects are parts of and necessary components of a  
2 street and are considered to be a street or road  
3 improvement.

4 (e) The district will not act as the agent or  
5 instrumentality of any private interest even though  
6 many private interests will be benefited by the  
7 district, as will the general public.

8 Revised Law

9 Sec. 3811.005. DISTRICT TERRITORY. (a) The district is  
10 composed of the territory contained in the area bounded by T.C.  
11 Jester Boulevard on the east, Pinemont Drive on the south,  
12 Hollister Drive projected to State Road 249 on the west, and State  
13 Road 249 on the north, as those roads existed on May 28, 2001, and as  
14 that territory may have been modified under:

15 (1) Section 3811.104 or its predecessor statute,  
16 former Section 376.479, Local Government Code, as added by Section  
17 1, Chapter 418, Acts of the 77th Legislature, Regular Session,  
18 2001;

19 (2) Subchapter J, Chapter 49, Water Code; or

20 (3) other law.

21 (b) The boundaries described by Subsection (a) form a  
22 closure. A mistake in the description in the legislative process  
23 does not in any way affect:

24 (1) the district's organization, existence, and  
25 validity;

26 (2) the district's right to issue any type of bond,  
27 including a refunding bond, for a purpose for which the district is  
28 created or to pay the principal of and interest on the bond;

29 (3) the district's right to impose and collect an  
30 assessment or tax; or

31 (4) the legality or operation of the district or the  
32 board. (Loc. Gov. Code, Secs. 376.454, 376.455, as added Acts 77th  
33 Leg., R.S., Ch. 418; New.)

34 Source Law

35 Sec. 376.454. BOUNDARIES. The district  
36 includes all the territory contained in the area  
37 bounded by T.C. Jester Boulevard on the east, Pinemont  
38 Drive on the south, Hollister Drive projected to State  
39 Road 249 on the west, and State Road 249 on the north as  
40 those roads exist on the effective date of this

1 subchapter.

2 Sec. 376.455. FINDINGS RELATING TO  
3 BOUNDARIES. The boundaries described by Section  
4 376.454 form a closure. If a mistake is made in the  
5 description in the course of the legislative process,  
6 the mistake does not in any way affect the:

7 (1) organization, existence, and validity  
8 of the district;

9 (2) right of the district to issue any type  
10 of bonds or refunding bonds for the purposes for which  
11 the district is created or to pay the principal of and  
12 interest on the bonds;

13 (3) right of the district to impose and  
14 collect assessments or taxes; or

15 (4) legality or operation of the district  
16 or its governing body.

17 Revisor's Note

18 For the reader's convenience, the revised law  
19 includes references to the Near Northwest Management  
20 District's statutory authority to change the  
21 district's territory under Section 376.479, Local  
22 Government Code, as added by Chapter 418, Acts of the  
23 77th Legislature, Regular Session, 2001 (revised in  
24 this chapter as Section 3811.104), and under  
25 Subchapter J, Chapter 49, Water Code. Sections  
26 375.043 and 375.044, Local Government Code, which  
27 apply to the district under Section 376.457, Local  
28 Government Code, as added by Chapter 418, Acts of the  
29 77th Legislature, Regular Session, 2001 (revised in  
30 this chapter as Section 3811.006), provide that a  
31 management district may annex or exclude territory in  
32 the manner provided by Chapter 54, Water Code.  
33 Sections 54.701 through 54.727, Water Code, which  
34 provided for the annexation or exclusion of territory  
35 by a municipal utility district, were repealed by  
36 Section 43, Chapter 715, Acts of the 74th Legislature,  
37 Regular Session, 1995. Section 2 of that Act added  
38 Chapter 49, Water Code, including Subchapter J of that  
39 chapter, which now provides for the annexation or  
40 exclusion of territory by a municipal utility  
41 district; the references in Sections 375.043 and  
42 375.044, Local Government Code, to the repealed

1 annexation and exclusion provisions in Chapter 54,  
2 Water Code, may be considered to be references to the  
3 similar provisions in Chapter 49, Water Code, and the  
4 revised law reflects this change. The revised law also  
5 includes a reference to the general authority of the  
6 legislature to enact other laws to change the  
7 district's territory.

8 Revised Law

9 Sec. 3811.006. APPLICABILITY OF OTHER LAW. Except as  
10 otherwise provided by this chapter, Chapter 375, Local Government  
11 Code, applies to the district, the board, and district employees.  
12 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th  
13 Leg., R.S., Ch. 418.)

14 Source Law

15 Sec. 376.457. APPLICATION OF OTHER LAW. Except  
16 as otherwise provided by this subchapter, Chapter 375  
17 applies to the district and its governing body and  
18 employees.

19 Sec. 376.461. . . . The district has:

20 . . .  
21 (2) the rights, powers, privileges,  
22 authority, and functions of a district created under  
23 Chapter 375;  
24 . . .

25 Revised Law

26 Sec. 3811.007. RELATION TO OTHER LAW. This chapter  
27 prevails over any provision of general law, including a law to which  
28 this chapter refers, that is in conflict with or is inconsistent  
29 with this chapter. (Loc. Gov. Code, Sec. 376.467 (part), as added  
30 Acts 77th Leg., R.S., Ch. 418.)

31 Source Law

32 Sec. 376.467. RELATION TO OTHER LAW. If any  
33 provision of general law, including a law referenced  
34 in this subchapter, is in conflict with or is  
35 inconsistent with this subchapter, this subchapter  
36 prevails. . . .

37 Revisor's Note

38 Section 376.467, Local Government Code, as added  
39 by Chapter 418, Acts of the 77th Legislature, Regular  
40 Session, 2001, provides for the adoption and

1 incorporation by reference of laws to which Subchapter  
2 K, Chapter 376, as added by Chapter 418, Acts of the  
3 77th Legislature, Regular Session, 2001, refers. The  
4 revised law omits this provision as unnecessary.  
5 Because this chapter references the laws that apply to  
6 the district, it is not necessary to duplicate the  
7 substance of those laws in this section by means of  
8 adoption or incorporation. The omitted law reads:

9                   Sec. 376.467. . . . Any law  
10                   referenced in this subchapter that is not in  
11                   conflict or inconsistent with this  
12                   subchapter is adopted and incorporated by  
13                   reference.

14                                   Revised Law

15                   Sec. 3811.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
16 chapter shall be liberally construed in conformity with the  
17 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
18 376.458, as added Acts 77th Leg., R.S., Ch. 418.)

19                                   Source Law

20                   Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This  
21 subchapter shall be liberally construed in conformity  
22 with the findings and purposes stated in this  
23 subchapter.

24                   [Sections 3811.009-3811.050 reserved for expansion]

25                                   SUBCHAPTER B. BOARD OF DIRECTORS

26                                   Revised Law

27                   Sec. 3811.051. BOARD OF DIRECTORS; TERMS. (a) The  
28 district is governed by a board of nine directors who serve  
29 staggered terms of four years with five directors' terms expiring  
30 June 1 of an odd-numbered year and four directors' terms expiring  
31 June 1 of the following odd-numbered year.

32                   (b) The board by resolution may increase or decrease the  
33 number of directors on the board, but only if it is in the best  
34 interest of the district to do so. The board may not:

35                   (1) increase the number of directors to more than 30;

36 or

37                   (2) decrease the number of directors to fewer than

1 nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg.,  
2 R.S., Ch. 418.)

3 Source Law

4 Sec. 376.459. BOARD OF DIRECTORS IN  
5 GENERAL. (a) The district is governed by a board of  
6 nine directors who serve staggered terms of four  
7 years, with five members' terms expiring June 1 of an  
8 odd-numbered year and four members' terms expiring  
9 June 1 of the following odd-numbered year. The board  
10 by resolution may increase or decrease the number of  
11 directors on the board if it is in the best interest of  
12 the district to do so and if the board consists of not  
13 fewer than 9 and not more than 30 directors.

14 Revisor's Note

15 Section 376.459(b), Local Government Code, as  
16 added by Chapter 418, Acts of the 77th Legislature,  
17 Regular Session, 2001, refers to the board of  
18 directors and the applicability of Subchapter D,  
19 Chapter 375, Local Government Code, to the extent  
20 Subchapter D does not conflict with Subchapter K,  
21 Chapter 376, Local Government Code, as added by  
22 Chapter 418, Acts of the 77th Legislature, Regular  
23 Session, 2001 (revised as this chapter). The revised  
24 law omits this provision because it duplicates Section  
25 376.457, Local Government Code (revised in this  
26 chapter as Section 3811.006), and Section 376.467,  
27 Local Government Code (revised in this chapter as  
28 Section 3811.007). Revised Section 3811.006 provides  
29 that Chapter 375, Local Government Code, applies to  
30 the district except as otherwise provided by this  
31 chapter and revised Section 3811.007 provides that  
32 this chapter prevails over any law that is in conflict  
33 with or inconsistent with this chapter. The omitted  
34 law reads:

35 (b) Subchapter D, Chapter 375,  
36 applies to the board to the extent that  
37 subchapter does not conflict with this  
38 subchapter. . . . Directors may vote on  
39 any matter authorized by Subchapter D,  
40 Chapter 375, and action may be taken by the  
41 board only if it is approved in the manner  
42 prescribed by Subchapter D, Chapter 375.

1 Revised Law

2 Sec. 3811.052. APPOINTMENT OF DIRECTORS. The mayor and  
3 members of the governing body of the City of Houston shall appoint  
4 directors from persons recommended by the board who meet the  
5 qualifications prescribed by Subchapter D, Chapter 375, Local  
6 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
7 Acts 77th Leg., R.S., Ch. 418.)

8 Source Law

9 Sec. 376.460. APPOINTMENT OF DIRECTORS;  
10 VACANCY. The mayor and members of the governing body  
11 of the municipality shall appoint directors from  
12 persons recommended by the board who meet the  
13 qualifications of Subchapter D, Chapter 375. . . .

14 Revisor's Note

15 Section 376.460, Local Government Code, as added  
16 by Chapter 418, Acts of the 77th Legislature, Regular  
17 Session, 2001, provides for filling a vacancy in the  
18 office of a director "because of the death,  
19 resignation, or removal of a director" and provides  
20 for appointing a replacement. The revised law omits  
21 this provision because it substantively duplicates  
22 Section 375.066, Local Government Code. Section  
23 376.457, Local Government Code, as added by Chapter  
24 418, Acts of the 77th Legislature, Regular Session,  
25 2001 (revised in this chapter as Section 3811.006),  
26 provides that Chapter 375, Local Government Code,  
27 applies to the district. Therefore, it is not  
28 necessary to revise statutes that duplicate provisions  
29 in that chapter. Although Section 375.066 does not  
30 refer to "the death, resignation, or removal of a  
31 director," that language is unnecessary because the  
32 quoted language merely describes every manner in which  
33 a vacancy may occur without limiting in any way the  
34 board's duty to fill a vacancy. The omitted law reads:

35 Sec. 376.460. . . . A vacancy in  
36 the office of director because of the death,  
37 resignation, or removal of a director shall

1 be filled by the remaining members of the  
2 board by appointing a qualified person for  
3 the unexpired term.

4 Revised Law

5 Sec. 3811.053. EX OFFICIO DIRECTORS. (a) The following  
6 persons serve as nonvoting ex officio directors:

7 (1) the directors of the parks and recreation,  
8 planning and development, public works, and civic center  
9 departments of the City of Houston;

10 (2) the chief of police of the City of Houston;

11 (3) the general manager of the Metropolitan Transit  
12 Authority of Harris County, Texas; and

13 (4) the president of each institution of higher  
14 learning located in the district.

15 (b) If a department described by Subsection (a) is  
16 consolidated, renamed, or changed, the board may appoint a director  
17 of the consolidated, renamed, or changed department as a nonvoting  
18 ex officio director. If a department described by Subsection (a) is  
19 abolished, the board may appoint a representative of another  
20 department of the City of Houston that performs duties comparable  
21 to those performed by the abolished department.

22 (c) The board may appoint the presiding officer of a  
23 nonprofit corporation that is actively involved in activities in  
24 the near northwest area of the city of Houston to serve as a  
25 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.464, as  
26 added Acts 77th Leg., R.S., Ch. 418.)

27 Source Law

28 Sec. 376.464. EX OFFICIO BOARD  
29 MEMBERS. (a) The following persons shall serve as  
30 nonvoting ex officio directors:

31 (1) the director of the following  
32 departments of the municipality:

33 (A) parks and recreation;

34 (B) planning and development;

35 (C) public works; and

36 (D) civic center;

37 (2) the municipality's chief of police;

38 (3) the general manager of the  
39 Metropolitan Transit Authority; and

40 (4) the presidents of any institutions of  
41 higher learning located in the district.

42 (b) If a department described by Subsection (a)  
43 is consolidated, renamed, or changed, the board may

1 appoint a director of the consolidated, renamed, or  
2 changed department as a nonvoting ex officio board  
3 member. If a department described by Subsection (a) is  
4 abolished, the board may appoint a representative of  
5 another department of the municipality that performs  
6 duties comparable to those performed by the abolished  
7 department.

8 (c) The board may appoint the presiding officer  
9 of a nonprofit corporation that is actively involved  
10 in activities in the municipality's midtown area to  
11 serve as a nonvoting ex officio director.

12 Revisor's Note

13 Section 376.464(c), Local Government Code, as  
14 added by Chapter 418, Acts of the 77th Legislature,  
15 Regular Session, 2001, provides that the board of  
16 directors of the Near Northwest Management District  
17 may appoint as a nonvoting ex officio director "the  
18 presiding officer of a nonprofit corporation that is  
19 actively involved in activities in the municipality's  
20 midtown area." The reference to the midtown area is a  
21 drafting error. Section 376.452(a), Local Government  
22 Code, as added by Chapter 418, Acts of the 77th  
23 Legislature, Regular Session, 2001 (revised in this  
24 chapter as Section 3811.003(b)), provides that the  
25 creation of the district is necessary to promote,  
26 develop, encourage, and maintain employment,  
27 commerce, transportation, housing, tourism,  
28 recreation, the arts, entertainment, economic  
29 development, safety, and the public welfare in "the  
30 near northwest area of the city of Houston." The  
31 intent of the legislature in creating the district was  
32 clearly to benefit the near northwest area of Houston,  
33 and it is inconsistent with that intent for the  
34 district's board of directors to include a member  
35 involved in activities in the midtown area of Houston.  
36 Accordingly, the revised law substitutes "the near  
37 northwest area of the city of Houston" for "the  
38 municipality's midtown area."

1 Revised Law

2 Sec. 3811.054. CONFLICTS OF INTEREST. (a) Except as  
3 provided by this section:

4 (1) a director may participate in all board votes and  
5 decisions; and

6 (2) Chapter 171, Local Government Code, governs  
7 conflicts of interest of directors.

8 (b) Section 171.004, Local Government Code, does not apply  
9 to the district. A director who has a substantial interest in a  
10 business or charitable entity that will receive a pecuniary benefit  
11 from a board action shall file an affidavit with the board secretary  
12 declaring the interest. Another affidavit is not required if the  
13 director's interest changes.

14 (c) After the affidavit is filed, the director may  
15 participate in a discussion or vote on that action if:

16 (1) a majority of the directors have a similar  
17 interest in the same entity; or

18 (2) all other similar business or charitable entities  
19 in the district will receive a similar pecuniary benefit.

20 (d) A director who is also an officer or employee of a public  
21 entity may not participate in a discussion of or vote on a matter  
22 regarding a contract with that same public entity.

23 (e) For purposes of this section, a director has a  
24 substantial interest in a charitable entity in the same manner that  
25 a person would have a substantial interest in a business entity  
26 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
27 Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 418.)

28 Source Law

29 Sec. 376.465. CONFLICTS OF INTEREST; ONE-TIME  
30 AFFIDAVIT. (a) Except as provided in this section:

31 (1) a director may participate in all  
32 board votes and decisions; and

33 (2) Chapter 171 governs conflicts of  
34 interest for board members.

35 (b) Section 171.004 does not apply to the  
36 district. A director who has a substantial interest in  
37 a business or charitable entity that will receive a  
38 pecuniary benefit from a board action shall file a  
39 one-time affidavit declaring the interest. An

1 additional affidavit is not required if the director's  
2 interest changes. After the affidavit is filed with  
3 the board secretary, the director may participate in a  
4 discussion or vote on that action if:

5 (1) a majority of the directors have a  
6 similar interest in the same entity; or

7 (2) all other similar business or  
8 charitable entities in the district will receive a  
9 similar pecuniary benefit.

10 (c) A director who is also an officer or  
11 employee of a public entity may not participate in the  
12 discussion of or vote on a matter regarding a contract  
13 with that same public entity.

14 (d) For purposes of this section, a director has  
15 a substantial interest in a charitable entity in the  
16 same manner that a person would have a substantial  
17 interest in a business entity under Section 171.002.

18 [Sections 3811.055-3811.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Revised Law

21 Sec. 3811.101. DISTRICT POWERS. The district has:

22 (1) all powers necessary to accomplish the purposes  
23 for which the district was created;

24 (2) the powers given to a corporation under Section  
25 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
26 Texas Civil Statutes), and the power to own, operate, acquire,  
27 construct, lease, improve, and maintain projects; and

28 (3) the powers given to a housing finance corporation  
29 created under Chapter 394, Local Government Code, to provide  
30 housing or residential development projects in the district. (Loc.  
31 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
32 418.)

33 Source Law

34 Sec. 376.461. POWERS OF DISTRICT. The district  
35 has:

36 (1) all powers necessary or required to  
37 accomplish the purposes for which the district was  
38 created;

39 . . .  
40 (3) the powers given to a corporation  
41 under Section 4B, Development Corporation Act of 1979  
42 (Article 5190.6, Vernon's Texas Civil Statutes), and  
43 the power to own, operate, acquire, construct, lease,  
44 improve, and maintain projects;

45 . . .  
46 (6) the powers given to a housing finance  
47 corporation created under Chapter 394 to provide  
48 housing or residential development projects in the  
49 district.

1 Revisor's Note

2 Section 376.461, Local Government Code, as added  
3 by Chapter 418, Acts of the 77th Legislature, Regular  
4 Session, 2001, refers to powers "necessary or  
5 required" to accomplish the purposes of the district.  
6 The revised law omits "required" because, in this  
7 context, it is included in the meaning of "necessary."

8 Revised Law

9 Sec. 3811.102. NONPROFIT CORPORATION. (a) The board by  
10 resolution may authorize the creation of a nonprofit corporation to  
11 assist and act for the district in implementing a project or  
12 providing a service authorized by this chapter.

13 (b) The nonprofit corporation:

14 (1) has each power of and is considered for purposes of  
15 this chapter to be a local government corporation created under  
16 Chapter 431, Transportation Code; and

17 (2) may implement any project and provide any service  
18 authorized by this chapter.

19 (c) The board shall appoint the board of directors of the  
20 nonprofit corporation. The board of directors of the nonprofit  
21 corporation shall serve in the same manner as, for the same term as,  
22 and on the conditions of the board of directors of a local  
23 government corporation created under Chapter 431, Transportation  
24 Code. (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S.,  
25 Ch. 418.)

26 Source Law

27 Sec. 376.469. NONPROFIT CORPORATION. (a) The  
28 board by resolution may authorize the creation of a  
29 nonprofit corporation to assist and act on behalf of  
30 the district in implementing a project or providing a  
31 service authorized by this subchapter.

32 (b) The board shall appoint the board of  
33 directors of a nonprofit corporation created under  
34 this section. The board of directors of the nonprofit  
35 corporation shall serve in the same manner as, for the  
36 same term as, and on the conditions of the board of  
37 directors of a local government corporation created  
38 under Chapter 431, Transportation Code.

39 (c) A nonprofit corporation created under this  
40 section has the powers of and is considered for  
41 purposes of this subchapter to be a local government

1 corporation created under Chapter 431, Transportation  
2 Code.

3 (d) A nonprofit corporation created under this  
4 section may implement any project and provide any  
5 services authorized by this subchapter.

6 Revised Law

7 Sec. 3811.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
8 protect the public interest, the district may contract with Harris  
9 County or the City of Houston for the county or city to provide law  
10 enforcement services in the district for a fee.

11 (b) Harris County, the City of Houston, or another political  
12 subdivision of this state, without further authorization, may  
13 contract with the district to implement a project of the district or  
14 assist the district in providing a service authorized under this  
15 chapter. A contract under this subsection may:

16 (1) be for a period on which the parties agree;

17 (2) include terms on which the parties agree;

18 (3) be payable from taxes or any other source of  
19 revenue that may be available for that project or service; or

20 (4) provide terms under which taxes or other revenue  
21 collected at a district project or from a person using or purchasing  
22 a commodity or service at a district project may be paid or rebated  
23 to the district.

24 (c) The district may enter into a contract, lease, or other  
25 agreement with or make or accept a grant or loan to or from, or  
26 accept a donation from, any person, including:

27 (1) the United States;

28 (2) this state or a state agency;

29 (3) any political subdivision of this state; or

30 (4) a public or private corporation, including a  
31 nonprofit corporation created by the board under this subchapter.

32 (d) The district may perform all acts necessary for the full  
33 exercise of the powers vested in the district on terms and for the  
34 period the board determines advisable.

35 (e) The implementation of a project is a governmental  
36 function or service for the purposes of Chapter 791, Government

1 Code. (Loc. Gov. Code, Secs. 376.478, 376.480, as added Acts 77th  
2 Leg., R.S., Ch. 418.)

3 Source Law

4 Sec. 376.478. CONTRACTS. (a) To protect the  
5 public interest, the district may contract with the  
6 municipality or the county for the municipality or  
7 county to provide law enforcement services in the  
8 district for a fee.

9 (b) The municipality, the county, or another  
10 political subdivision of the state, without further  
11 authorization, may contract with the district to  
12 implement a project of the district or assist the  
13 district in providing the services authorized under  
14 this subchapter. A contract under this subsection  
15 may:

16 (1) be for a period on which the parties  
17 agree;

18 (2) include terms on which the parties  
19 agree;

20 (3) be payable from taxes or any other  
21 sources of revenue that may be available for that  
22 purpose; or

23 (4) provide that taxes or other revenue  
24 collected at a district project or from a person using  
25 or purchasing a commodity or service at a district  
26 project may be paid or rebated to the district under  
27 the terms of the contract.

28 (c) The district may enter into a contract,  
29 lease, or other agreement with or make or accept grants  
30 and loans to or from:

31 (1) the United States;

32 (2) the state or a state agency;

33 (3) a county, a municipality, or another  
34 political subdivision of the state;

35 (4) a public or private corporation,  
36 including a nonprofit corporation created by the board  
37 under this subchapter; or

38 (5) any other person.

39 (d) The district may perform all acts necessary  
40 for the full exercise of the powers vested in the  
41 district on terms and for the period the board  
42 determines advisable.

43 Sec. 376.480. AGREEMENTS: GENERAL; DONATIONS,  
44 INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES.

45 (a) The district may make an agreement with or accept  
46 a donation, grant, or loan from any person.

47 (b) The implementation of a project is a  
48 governmental function or service for the purposes of  
49 Chapter 791, Government Code.

50 (c) To protect the public interest, the district  
51 may contract with the municipality or the county for  
52 the municipality or county to provide law enforcement  
53 services in the district for a fee.

54 Revisor's Note

55 Sec. 376.478(c)(3), Local Government Code, as  
56 added by Chapter 418, Acts of the 77th Legislature,  
57 Regular Session, 2001, refers to "a county, a  
58 municipality, or another political subdivision of the

1 state." The revised law omits the references to  
2 "county" and "municipality" because "county" and  
3 "municipality" are included in the meaning of  
4 "political subdivision."

5 Revised Law

6 Sec. 3811.104. ANNEXATION. In addition to the authority to  
7 annex territory under Subchapter C, Chapter 375, Local Government  
8 Code, the district has the authority to annex territory located in a  
9 reinvestment zone created by the City of Houston under Chapter 311,  
10 Tax Code, if the city's governing body consents to the annexation.  
11 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.  
12 418.)

13 Source Law

14 Sec. 376.479. ANNEXATION. The district may:  
15 (1) annex territory as provided by  
16 Subchapter C, Chapter 375; and  
17 (2) annex territory located inside the  
18 boundaries of a reinvestment zone created by the  
19 municipality under Chapter 311, Tax Code, if the  
20 governing body of the municipality consents to the  
21 annexation.

22 Revisor's Note  
23 (End of Subchapter)

24 (1) Section 376.463, Local Government Code, as  
25 added by Chapter 418, Acts of the 77th Legislature,  
26 Regular Session, 2001, prohibits the district from  
27 exercising the power of eminent domain. The revised  
28 law omits the section because it duplicates Section  
29 375.094, Local Government Code. Section 376.457,  
30 Local Government Code, as added by Chapter 418, Acts of  
31 the 77th Legislature, Regular Session, 2001 (revised  
32 in this chapter as Section 3811.006), provides that  
33 Chapter 375, Local Government Code, applies to the  
34 district. Therefore, it is not necessary to revise  
35 statutes that duplicate provisions in that chapter.  
36 The omitted law reads:

37 Sec. 376.463. EMINENT DOMAIN. The  
38 district may not exercise the power of  
39 eminent domain.

1           (2) Section 376.466, Local Government Code, as  
2 added by Chapter 418, Acts of the 77th Legislature,  
3 Regular Session, 2001, provides that the district is  
4 solely responsible for expenses related to certain  
5 actions taken by the district and is liable for damages  
6 resulting from those actions. The revised law omits  
7 the section because it duplicates Section 375.093(c),  
8 Local Government Code. Section 376.457, Local  
9 Government Code, as added by Chapter 418, Acts of the  
10 77th Legislature, Regular Session, 2001 (revised in  
11 this chapter as Section 3811.006), provides that  
12 Chapter 375, Local Government Code, applies to the  
13 district. Therefore, it is not necessary to revise  
14 statutes that duplicate provisions in that chapter.  
15 The omitted law reads:

16                   Sec. 376.466. EXPENSES AND LIABILITY  
17                   FOR CERTAIN ACTIONS AFFECTING  
18                   PROPERTY. (a) If the district, in  
19                   exercising a power conferred by this  
20                   subchapter, requires a relocation,  
21                   adjustment, raising, lowering, rerouting,  
22                   or changing of the grade or the construction  
23                   of any of the following items, the district  
24                   must take that required action at the sole  
25                   expense of the district:

26                   (1) a street, alley, highway,  
27                   overpass, underpass, road, railroad track,  
28                   bridge, facility, or other property;

29                   (2) an electric line, conduit,  
30                   facility, or other property;

31                   (3) a telephone or telegraph  
32                   line, conduit, facility, or other property;

33                   (4) a gas transmission or  
34                   distribution pipe, pipeline, main,  
35                   facility, or other property;

36                   (5) a water, sanitary sewer, or  
37                   storm sewer pipe, pipeline, main, facility,  
38                   or other property;

39                   (6) a cable television line,  
40                   cable, conduit, facility, or other  
41                   property; or

42                   (7) another pipeline, facility,  
43                   or other property relating to the pipeline.

44                   (b) The district shall bear damages  
45                   that are suffered by owners of the facility  
46                   or other property.

47                   [Sections 3811.105-3811.150 reserved for expansion]

1 SUBCHAPTER D. FINANCIAL PROVISIONS

2 Revised Law

3 Sec. 3811.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
4 IMPROVEMENTS. (a) The board may not finance a service or an  
5 improvement project under this chapter unless a written petition  
6 requesting that service or improvement is filed with the board.

7 (b) The petition must be signed by:

8 (1) the owners of a majority of the assessed value of  
9 real property in the district according to the most recent  
10 certified tax appraisal roll for Harris County; or

11 (2) at least 50 owners of land in the district, if more  
12 than 50 persons own land in the district according to the most  
13 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
14 Code, Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 418.)

15 Source Law

16 Sec. 376.468. REQUIREMENTS FOR FINANCING  
17 SERVICES AND IMPROVEMENTS. The board may not finance  
18 services and improvement projects under this  
19 subchapter unless a written petition requesting those  
20 improvements or services has been filed with the  
21 board. The petition must be signed by:

22 (1) the owners of a majority of the  
23 assessed value of real property in the district as  
24 determined by the most recent certified county  
25 property tax rolls; or

26 (2) at least 50 persons who own land in the  
27 district, if there are more than 50 persons who own  
28 property in the district as determined by the most  
29 recent certified county property tax rolls.

30 Revisor's Note

31 Section 376.468, Local Government Code, as added  
32 by Chapter 418, Acts of the 77th Legislature, Regular  
33 Session, 2001, refers to "the most recent certified  
34 [Harris] county property tax rolls." The revised law  
35 substitutes a reference to "the most recent certified  
36 tax appraisal roll for Harris County" to conform to the  
37 terminology of Title 1, Tax Code, including Section  
38 26.01 of that code, requiring the chief appraiser of an  
39 appraisal district to certify to the tax assessor of  
40 each taxing unit that has property in the appraisal

1 district an appraisal roll that lists the properties  
2 taxable by that taxing unit and the value of those  
3 properties.

4 Revised Law

5 Sec. 3811.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
6 board by resolution shall establish the number of directors'  
7 signatures and the procedure required for a disbursement or  
8 transfer of the district's money. (Loc. Gov. Code, Sec. 376.470, as  
9 added Acts 77th Leg., R.S., Ch. 418.)

10 Source Law

11 Sec. 376.470. DISBURSEMENTS OR TRANSFERS OF  
12 FUNDS. The board by resolution shall establish the  
13 number of directors' signatures and the procedure  
14 required for a disbursement or transfer of the  
15 district's money.

16 Revised Law

17 Sec. 3811.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
18 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
19 or impact fee requires a vote of a majority of the directors  
20 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
21 77th Leg., R.S., Ch. 418.)

22 Source Law

23 (b) . . . The imposition of a tax, assessment,  
24 or impact fee requires a vote of a majority of the  
25 directors serving. . . .

26 Revised Law

27 Sec. 3811.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
28 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
29 tax, assessment, or impact fee as provided by Chapter 375, Local  
30 Government Code, to provide an improvement or service for a project  
31 or activity the district may acquire, construct, improve, or  
32 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
33 as added Acts 77th Leg., R.S., Ch. 418.)

34 Source Law

35 Sec. 376.461. . . . The district has:  
36 . . .  
37 (4) the power to impose ad valorem taxes,  
38 assessments, or impact fees in accordance with Chapter  
39 375 to provide improvements and services for a project

1 or activity the district is authorized to acquire,  
2 construct, improve, or provide under this subchapter;  
3 . . .

4 Revised Law

5 Sec. 3811.155. MAINTENANCE TAX. (a) If authorized at an  
6 election held in accordance with Section 3811.159, the district may  
7 impose an annual ad valorem tax on taxable property in the district  
8 to:

9 (1) maintain and operate the district and the  
10 improvements constructed or acquired by the district; or

11 (2) provide a service.

12 (b) The board shall determine the tax rate. (Loc. Gov.  
13 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 418.)

14 Source Law

15 Sec. 376.476. MAINTENANCE TAX. (a) If  
16 authorized at an election held in accordance with  
17 Section 376.474, the district may impose and collect  
18 an annual ad valorem tax on taxable property in the  
19 district for the maintenance and operation of the  
20 district and the improvements constructed or acquired  
21 by the district or for the provision of services.

22 (b) The board shall determine the tax rate.

23 Revisor's Note

24 Section 376.476(a), Local Government Code, as  
25 added by Chapter 418, Acts of the 77th Legislature,  
26 Regular Session, 2001, provides that the district may  
27 "impose and collect" an ad valorem tax. The revised  
28 law omits "and collect" because "impose" is the term  
29 generally used in Title 1, Tax Code, and includes the  
30 collection of an ad valorem tax.

31 Revised Law

32 Sec. 3811.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
33 The board by resolution may impose and collect an assessment for any  
34 purpose authorized by this chapter.

35 (b) An assessment, a reassessment, or an assessment  
36 resulting from an addition to or correction of the assessment roll  
37 by the district, penalties and interest on an assessment or  
38 reassessment, an expense of collection, and reasonable attorney's  
39 fees incurred by the district:

1 (1) are a first and prior lien against the property  
2 assessed;

3 (2) are superior to any other lien or claim other than  
4 a lien or claim for county, school district, or municipal ad valorem  
5 taxes; and

6 (3) are the personal liability of and a charge against  
7 each owner of the property even if the owners are not named in the  
8 assessment proceeding.

9 (c) The lien is effective from the date of the board's  
10 resolution imposing the assessment until the date the assessment is  
11 paid. The board may enforce the lien in the same manner that the  
12 board may enforce an ad valorem tax lien against real property.

13 (d) The board may correct, add to, or delete assessments  
14 from its assessment rolls after notice and hearing as provided by  
15 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
16 Secs. 376.461 (part), 376.472, as added Acts 77th Leg., R.S., Ch.  
17 418.)

18 Source Law

19 Sec. 376.461. . . . The district has:

20 . . .  
21 (5) the power to correct, add to, or delete  
22 assessments from its assessment rolls after notice and  
23 hearing as provided by Subchapter F, Chapter 375; and  
24 . . .

25 Sec. 376.472. ASSESSMENTS. (a) The board may  
26 impose and collect an assessment for any purpose  
27 authorized by this subchapter.

28 (b) Assessments, reassessments, or assessments  
29 resulting from an addition to or correction of the  
30 assessment roll by the district, penalties and  
31 interest on an assessment or reassessment, expenses of  
32 collection, and reasonable attorney's fees incurred by  
33 the district:

34 (1) are a first and prior lien against the  
35 property assessed;

36 (2) are superior to any other lien or claim  
37 other than a lien or claim for county, school district,  
38 or municipal ad valorem taxes; and

39 (3) are the personal liability of and  
40 charge against the owners of the property even if the  
41 owners are not named in the assessment proceedings.

42 (c) The lien is effective from the date of the  
43 resolution of the board levying the assessment until  
44 the assessment is paid. The board may enforce the lien  
45 in the same manner that the board may enforce an ad  
46 valorem tax lien against real property.

1 Revisor's Note

2 Section 376.471(b), Local Government Code, as  
3 added by Chapter 418, Acts of the 77th Legislature,  
4 Regular Session, 2001, authorizes the imposition and  
5 collection of assessments under Subchapter F, Chapter  
6 375, Local Government Code. The revised law omits the  
7 provision as unnecessary. Section 376.457, Local  
8 Government Code, as added by Chapter 418, Acts of the  
9 77th Legislature, Regular Session, 2001 (revised in  
10 this chapter as Section 3811.006), provides that  
11 Chapter 375, Local Government Code, applies to the  
12 district. It is not necessary to include in this  
13 revision a provision that merely grants the district  
14 powers under that chapter. The omitted law reads:

15 (b) . . . The board may impose and  
16 collect an assessment under Subchapter F,  
17 Chapter 375, for any purpose authorized by  
18 this subchapter or by Chapter 375.

19 Revised Law

20 Sec. 3811.157. PROPERTY EXEMPT FROM IMPACT FEES AND  
21 ASSESSMENTS. The district may not impose an impact fee or  
22 assessment on:

23 (1) a residence homestead as defined by Section 11.13,  
24 Tax Code; or

25 (2) the property, equipment, or facilities of a person  
26 that provides to the public cable television, gas, light, power,  
27 telephone, sewage, or water service. (Loc. Gov. Code, Secs.  
28 376.453(5), 376.473, as added Acts 77th Leg., R.S., Ch. 418.)

29 Source Law

30 [Sec. 376.453]

31 (5) "Utility" means a person that provides  
32 to the public cable television, gas, light, power,  
33 telephone, sewage, or water service.

34 Sec. 376.473. PROPERTY EXEMPTED FROM FEE OR  
35 ASSESSMENT. (a) The district may not impose an  
36 impact fee or assessment on a residence homestead as  
37 defined by Section 11.13, Tax Code.

38 (b) The district may not impose an impact fee or  
39 assessment on the property, equipment, or facilities  
40 of a utility.

1 Revised Law

2 Sec. 3811.158. OBLIGATIONS; APPROVAL BY CITY OF  
3 HOUSTON. (a) The district may issue bonds or other obligations  
4 payable in whole or in part from ad valorem taxes, assessments,  
5 impact fees, revenue, grants, or other money of the district, or any  
6 combination of those sources of money, to pay for any authorized  
7 purpose of the district.

8 (b) In exercising the district's borrowing power, the  
9 district may issue a bond or other obligation in the form of a bond,  
10 note, certificate of participation or other instrument evidencing a  
11 proportionate interest in payments to be made by the district, or  
12 other type of obligation.

13 (c) Except as provided by Subsection (d), the district must  
14 obtain the approval of the City of Houston:

15 (1) for the issuance of a bond for each improvement  
16 project;

17 (2) of the plans and specifications of the improvement  
18 project to be financed by the bond; and

19 (3) of the plans and specifications of a district  
20 improvement project related to:

21 (A) the use of land owned by the City of Houston;

22 (B) an easement granted by the City of Houston;

23 or

24 (C) a right-of-way of a street, road, or highway.

25 (d) If the district obtains the approval of the City of  
26 Houston of a capital improvements budget for a specified period not  
27 to exceed five years, the district may finance the capital  
28 improvements and issue bonds specified in the budget without  
29 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
30 376.471(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch.  
31 418.)

32 Source Law

33 Sec. 376.471. BONDS. (a) The district may  
34 issue bonds or other obligations payable in whole or in  
35 part from ad valorem taxes, assessments, impact fees,

1 revenues, grants, or other money of the district, or  
2 any combination of those sources of money, to pay for  
3 any authorized purpose of the district.

4 (b) Bonds or other obligations of the district  
5 may be issued in the form of bonds, notes, certificates  
6 of participation, including other instruments  
7 evidencing a proportionate interest in payments to be  
8 made by the district, or other obligations that are  
9 issued in the exercise of the district's borrowing  
10 power and may be issued in bearer or registered form or  
11 not represented by an instrument but the transfer of  
12 which is registered on books maintained by or on behalf  
13 of the district. . . .

14 (c) Except as provided by Subsection (d), the  
15 district must obtain the municipality's approval of:

16 (1) the issuance of bonds for an  
17 improvement project;

18 (2) the plans and specifications of the  
19 improvement project to be financed by the bonds; and

20 (3) the plans and specifications of a  
21 district improvement project related to:

22 (A) the use of land owned by the  
23 municipality;

24 (B) an easement granted by the  
25 municipality; or

26 (C) a right-of-way of a street, road,  
27 or highway.

28 (d) If the district obtains the municipality's  
29 approval of a capital improvements budget for a  
30 specified period not to exceed five years, the  
31 district may finance the capital improvements and  
32 issue bonds specified in the budget without further  
33 municipal approval.

34 Revisor's Note

35 (1) Section 376.471(b), Local Government Code,  
36 as added by Chapter 418, Acts of the 77th Legislature,  
37 Regular Session, 2001, provides that obligations "may  
38 be issued in bearer or registered form or not  
39 represented by an instrument but the transfer of which  
40 is registered on books maintained by or on behalf of  
41 the district." The revised law omits the quoted  
42 language as unnecessary because it duplicates Sections  
43 1201.022(a)(2) and 1201.023, Government Code. Section  
44 1201.022(a)(2) permits bearer or registered form.  
45 Section 1201.023 permits uncertified book entry.  
46 Those sections apply to obligations issued under  
47 Section 376.471, Local Government Code, as added by  
48 Chapter 418, Acts of the 77th Legislature, Regular  
49 Session, 2001, by application of Section 1201.002,  
50 Government Code.

1           (2) Section 376.471(e), Local Government Code,  
2           as added by Chapter 418, Acts of the 77th Legislature,  
3           Regular Session, 2001, provides that, before issuing  
4           bonds, the district must submit the bonds and the  
5           record of the bond proceedings to the attorney general  
6           for approval. The revised law omits Section 376.471(e)  
7           as unnecessary because it duplicates Section 1202.003,  
8           Government Code. That section applies to bonds issued  
9           under Section 376.471(e) by application of Section  
10          1202.001, Government Code. The omitted law reads:

11                   (e) Before the district issues bonds,  
12                   the district shall submit the bonds and the  
13                   record of proceedings of the district  
14                   relating to authorization of the bonds to  
15                   the attorney general for approval as  
16                   provided by Chapter 1202, Government Code.

17                                   Revised Law

18          Sec. 3811.159. ELECTIONS           REGARDING           TAXES           OR  
19          BONDS. (a) In addition to the elections required under  
20          Subchapter L, Chapter 375, Local Government Code, the district must  
21          hold an election in the manner provided by that subchapter to obtain  
22          voter approval before the district may:

23                   (1) impose a maintenance tax; or

24                   (2) issue a bond payable from ad valorem taxes or  
25          assessments.

26                   (b) The board may submit multiple purposes in a single  
27          proposition at an election. (Loc. Gov. Code, Sec. 376.474, as added  
28          Acts 77th Leg., R.S., Ch. 418.)

29                                   Source Law

30          Sec. 376.474. ELECTIONS. (a) In addition to  
31          the elections the district must hold under Subchapter  
32          L, Chapter 375, the district shall hold an election in  
33          the manner provided by that subchapter to obtain voter  
34          approval before the district imposes a maintenance tax  
35          or issues bonds payable from ad valorem taxes or  
36          assessments.

37                   (b) The board may submit multiple purposes in a  
38          single proposition at an election.

39                                   Revised Law

40          Sec. 3811.160. SALES AND USE TAX PROHIBITED. The district

1 may not impose a sales and use tax. (Loc. Gov. Code, Sec. 376.462,  
2 as added Acts 77th Leg., R.S., Ch. 418.)

3 Source Law

4 Sec. 376.462. SALES AND USE TAX. The district  
5 may not impose a sales and use tax.

6 Revisor's Note  
7 (End of Subchapter)

8 Section 376.475, Local Government Code, as added  
9 by Chapter 418, Acts of the 77th Legislature, Regular  
10 Session, 2001, grants the district the power to impose  
11 impact fees as provided by Subchapter G, Chapter 375.  
12 The revised law omits the language as unnecessary.  
13 Section 376.457, Local Government Code, as added by  
14 Chapter 418, Acts of the 77th Legislature, Regular  
15 Session, 2001 (revised in this chapter as Section  
16 3811.006), provides that Chapter 375, Local Government  
17 Code, applies to the district. Therefore, it is not  
18 necessary to revise statutes that merely grant the  
19 district powers under that chapter. The omitted law  
20 reads:

21 Sec. 376.475. IMPACT FEES. The  
22 district may impose an impact fee for an  
23 authorized purpose as provided by  
24 Subchapter G, Chapter 375.

25 [Sections 3811.161-3811.200 reserved for expansion]

26 SUBCHAPTER E. DISSOLUTION

27 Revised Law

28 Sec. 3811.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
29 DEBT. If the district has debt when it is dissolved, the district  
30 shall remain in existence solely for the purpose of discharging its  
31 bonds or other obligations according to their terms. (Loc. Gov.  
32 Code, Sec. 376.477 (part), as added Acts 77th Leg., R.S., Ch. 418.)

33 Source Law

34 Sec. 376.477. DISSOLUTION OF DISTRICT. . . .  
35 If the district has debt and is dissolved, the district  
36 shall remain in existence solely for the limited  
37 purpose of discharging its bonds or other obligations  
38 according to their terms.

1 Revisor's Note

2 Section 376.477, Local Government Code, as added  
3 by Chapter 418, Acts of the 77th Legislature, Regular  
4 Session, 2001, grants the district the power to  
5 dissolve under Subchapter M, Chapter 375, Local  
6 Government Code. The revised law omits the language as  
7 unnecessary. Section 376.457, Local Government Code,  
8 as added by Chapter 418, Acts of the 77th Legislature,  
9 Regular Session, 2001 (revised in this chapter as  
10 Section 3811.006), provides that Chapter 375, Local  
11 Government Code, applies to the district. Therefore,  
12 it is not necessary to revise statutes that merely  
13 grant the district powers under that chapter. The  
14 omitted law reads:

15 Sec. 376.477. . . . The district  
16 may be dissolved as provided by Subchapter  
17 M, Chapter 375. . . .

18 CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

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24		SUBCHAPTER A. GENERAL PROVISIONS	
25		<u>Revised Law</u>	
26	Sec. 3812.001.	DEFINITIONS. In this chapter:	
27		(1) "Board" means the board of directors of the	
28		district.	
29		(2) "District" means the Greater Northside Management	
30		District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts	
31		77th Leg., R.S., Ch. 1356.)	
32		<u>Source Law</u>	
33	Sec. 376.453.	DEFINITIONS. In this subchapter:	
34		(1) "Board" means the board of directors	
35		of the district.	

1 (3) "District" means the Greater Northside  
2 Management District.

3 Revisor's Note

4 Sections 376.453(2) and (4), Local Government  
5 Code, as added by Chapter 1356, Acts of the 77th  
6 Legislature, Regular Session, 2001, respectively  
7 define "county" as Harris County and "municipality" as  
8 the City of Houston. The revised law omits the  
9 definitions for ease of understanding. Throughout  
10 this chapter, the revised law instead refers to Harris  
11 County and the City of Houston unless the context  
12 clearly shows that the term "county" or "municipality"  
13 refers generally to any county or municipality. The  
14 omitted law reads:

15 (2) "County" means Harris  
16 County, Texas.

17 (4) "Municipality" means the  
18 City of Houston, Texas.

19 Revised Law

20 Sec. 3812.002. GREATER NORTHSIDE MANAGEMENT DISTRICT. The  
21 Greater Northside Management District is a special district created  
22 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
23 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1356.)

24 Source Law

25 Sec. 376.451. CREATION OF DISTRICT. (a) The  
26 Greater Northside Management District is created as a  
27 special district under Section 59, Article XVI, Texas  
28 Constitution.

29 Revisor's Note

30 Section 376.451(b), Local Government Code, as  
31 added by Chapter 1356, Acts of the 77th Legislature,  
32 Regular Session, 2001, states that the board may  
33 change the name of the district by resolution. The  
34 revised law omits the section because it duplicates  
35 Section 375.096(d), Local Government Code. Section  
36 376.457, Local Government Code, as added by Chapter  
37 1356, Acts of the 77th Legislature, Regular Session,

1 2001 (revised in this chapter as Section 3812.006),  
2 provides that Chapter 375, Local Government Code,  
3 applies to the district. Therefore, it is not  
4 necessary to revise statutes that duplicate provisions  
5 in that chapter. The omitted law reads:

6 (b) The board by resolution may  
7 change the district's name.

8 Revised Law

9 Sec. 3812.003. PURPOSE; DECLARATION OF INTENT. (a) The  
10 creation of the district is essential to accomplish the purposes of  
11 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
12 Texas Constitution, and other public purposes stated in this  
13 chapter.

14 (b) The creation of the district is necessary to promote,  
15 develop, encourage, and maintain employment, commerce,  
16 transportation, housing, tourism, recreation, the arts,  
17 entertainment, economic development, safety, and the public  
18 welfare in the north side of the city of Houston.

19 (c) This chapter and the creation of the district may not be  
20 interpreted to relieve Harris County or the City of Houston from  
21 providing the level of services provided as of June 16, 2001, to the  
22 area in the district or to release the county or the city from the  
23 obligations of each entity to provide services to that area. The  
24 district is created to supplement and not to supplant the county or  
25 city services provided in the area in the district. (Loc. Gov.  
26 Code, Sec. 376.452, as added Acts 77th Leg., R.S., Ch. 1356.)

27 Source Law

28 Sec. 376.452. DECLARATION OF INTENT. (a) The  
29 creation of the district is necessary to promote,  
30 develop, encourage, and maintain employment,  
31 commerce, transportation, housing, tourism,  
32 recreation, arts, entertainment, economic  
33 development, safety, and the public welfare in the  
34 north side of the city of Houston.

35 (b) The creation of the district and this  
36 legislation are not to be interpreted to relieve the  
37 county or the municipality from providing the level of  
38 services, as of the effective date of this subchapter,  
39 to the area in the district or to release the county or  
40 the municipality from its obligations to provide  
41 services to that area. The district is created to

1 supplement and not supplant the county or municipal  
2 services provided in the area in the district.

3 (c) The creation of the district is essential to  
4 accomplish the purposes of Section 52, Article III,  
5 Section 59, Article XVI, and Section 52-a, Article  
6 III, Texas Constitution, and other public purposes  
7 stated in this subchapter.

8 Revisor's Note

9 Section 376.452(b), Local Government Code, as  
10 added by Chapter 1356, Acts of the 77th Legislature,  
11 Regular Session, 2001, refers to "the effective date  
12 of this subchapter." Subchapter K, Chapter 376, Local  
13 Government Code, was enacted by Chapter 1356, Acts of  
14 the 77th Legislature, Regular Session, 2001, which  
15 took effect June 16, 2001. The revised law substitutes  
16 that date for the quoted language.

17 Revised Law

18 Sec. 3812.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
19 The district is created to serve a public use and benefit.

20 (b) All land and other property included in the district  
21 will benefit from the improvements and services to be provided by  
22 the district under powers conferred by Sections 52 and 52-a,  
23 Article III, and Section 59, Article XVI, Texas Constitution, and  
24 other powers granted under this chapter.

25 (c) The creation of the district is in the public interest  
26 and is essential to:

27 (1) further the public purposes of developing and  
28 diversifying the economy of the state;

29 (2) eliminate unemployment and underemployment; and

30 (3) develop or expand transportation and commerce.

31 (d) The district will:

32 (1) promote the health, safety, and general welfare of  
33 residents, employers, potential employees, employees, visitors,  
34 and consumers in the district, and of the public;

35 (2) provide needed funding to preserve, maintain, and  
36 enhance the economic health and vitality of the district as a  
37 community and business center; and

1 (3) promote the health, safety, welfare, and enjoyment  
2 of the public by providing pedestrian ways and by landscaping and  
3 developing certain areas in the district, which are necessary for  
4 the restoration, preservation, and enhancement of scenic beauty.

5 (e) Pedestrian ways along or across a street, whether at  
6 grade or above or below the surface, and street lighting, street  
7 landscaping, and street art objects are parts of and necessary  
8 components of a street and are considered to be a street or road  
9 improvement.

10 (f) The district will not act as the agent or  
11 instrumentality of any private interest even though the district  
12 will benefit many private interests as well as the public. (Loc.  
13 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1356.)

14 Source Law

15 Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC  
16 PURPOSE. (a) The district is created to serve a  
17 public use and benefit. All the land and other  
18 property included in the district will be benefited by  
19 the improvements and services to be provided by the  
20 district under powers conferred by Section 52, Article  
21 III, Section 59, Article XVI, and Section 52-a,  
22 Article III, Texas Constitution, and other powers  
23 granted under this subchapter.

24 (b) The creation of the district is in the  
25 public interest and is essential to:

26 (1) further the public purposes of the  
27 development and diversification of the economy of the  
28 state; and

29 (2) eliminate unemployment and  
30 underemployment and develop or expand transportation  
31 and commerce.

32 (c) The district will:

33 (1) promote the health, safety, and  
34 general welfare of residents, employers, potential  
35 employees, employees, visitors, consumers in the  
36 district, and the general public;

37 (2) provide needed funding to preserve,  
38 maintain, and enhance the economic health and vitality  
39 of the district as a community and business center; and

40 (3) further promote the health, safety,  
41 welfare, and enjoyment of the public by providing  
42 pedestrian ways and by landscaping and developing  
43 certain areas in the district, which are necessary for  
44 the restoration, preservation, and enhancement of  
45 scenic beauty.

46 (d) Pedestrian ways along or across a street,  
47 whether at grade or above or below the surface, and  
48 street lighting, street landscaping, and street art  
49 objects are parts of and necessary components of a  
50 street and are considered to be a street or road  
51 improvement.

52 (e) The district will not act as the agent or  
53 instrumentality of any private interest even though

1 many private interests will be benefited by the  
2 district, as will the general public.

3 Revised Law

4 Sec. 3812.005. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Chapter 1356, Acts of the  
6 77th Legislature, Regular Session, 2001, enacting former Section  
7 376.454, Local Government Code, as that territory may have been  
8 modified under:

9 (1) Subchapter J, Chapter 49, Water Code; or

10 (2) other law.

11 (b) The boundaries and field notes of the district contained  
12 in Chapter 1356, Acts of the 77th Legislature, Regular Session,  
13 2001, enacting former Section 376.454, Local Government Code, form  
14 a closure. A mistake in the field notes or in copying the field  
15 notes in the legislative process does not in any way affect the  
16 district's:

17 (1) organization, existence, or validity;

18 (2) right to issue any type of bond for a purpose for  
19 which the district is created or to pay the principal of and  
20 interest on the bond;

21 (3) right to impose or collect an assessment or tax; or

22 (4) legality or operation. (Loc. Gov. Code, Sec.  
23 376.455, as added Acts 77th Leg., R.S., Ch. 1356; New.)

24 Source Law

25 Sec. 376.455. FINDINGS RELATED TO BOUNDARIES.  
26 The boundaries and field notes of the district form a  
27 closure. If a mistake is made in the field notes or in  
28 copying the field notes in the legislative process,  
29 the mistake does not in any way affect the district's:

30 (1) organization, existence, or validity;

31 (2) right to issue any type of bond for the  
32 purposes for which the district is created or to pay  
33 the principal of and interest on a bond;

34 (3) right to impose or collect an  
35 assessment or tax; or

36 (4) legality or operation.

37 Revisor's Note

38 The revision of the law governing the Greater  
39 Northside Management District does not revise the  
40 statutory language describing the territory of the

1 district to avoid the lengthy recitation of the  
2 description and because that description may not be  
3 accurate on the effective date of the revision or at  
4 the time of a later reading. For the reader's  
5 convenience, the revised law includes a reference to  
6 the statutory description of the district's territory  
7 and a reference to statutory authority to change the  
8 district's territory under Subchapter J, Chapter 49,  
9 Water Code, applicable to the district under Section  
10 49.001 of that chapter. The revised law also includes  
11 a reference to the general authority of the  
12 legislature to enact other laws to change the  
13 district's territory.

14 Revised Law

15 Sec. 3812.006. APPLICABILITY OF OTHER LAW. Except as  
16 otherwise provided by this chapter, Chapter 375, Local Government  
17 Code, applies to the district. (Loc. Gov. Code, Secs. 376.457,  
18 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

19 Source Law

20 Sec. 376.457. APPLICATION OF OTHER LAW. Except  
21 as otherwise provided by this subchapter, Chapter 375  
22 applies to the district.

23 Sec. 376.461. . . . The district has:  
24 . . .  
25 (2) the rights, powers, privileges,  
26 authority, and functions of a district created under  
27 Chapter 375;  
28 . . .

29 Revised Law

30 Sec. 3812.007. RELATION TO OTHER LAW. This chapter  
31 prevails over any provision of general law, including a law to which  
32 this chapter refers, that is in conflict with or is inconsistent  
33 with this chapter. (Loc. Gov. Code, Sec. 376.464 (part), as added  
34 Acts 77th Leg., R.S., Ch. 1356.)

35 Source Law

36 Sec. 376.464. RELATION TO OTHER LAW. If any  
37 provision of general law, including a law referenced  
38 in this subchapter, is in conflict with or is  
39 inconsistent with this subchapter, this subchapter

1 prevails. . . .

2 Revisor's Note

3 Section 376.464, Local Government Code, as added  
4 by Chapter 1356, Acts of the 77th Legislature, Regular  
5 Session, 2001, provides for the adoption and  
6 incorporation by reference of laws to which Subchapter  
7 K, Chapter 376, Local Government Code, as added by  
8 Chapter 1356, Acts of the 77th Legislature, Regular  
9 Session, 2001, refers. The revised law omits the  
10 provision as unnecessary. Because this chapter  
11 references the laws that apply to the district, it is  
12 not necessary to duplicate the substance of those laws  
13 in this section by means of adoption and  
14 incorporation. The omitted law reads:

15 Sec. 376.464. . . . Any law  
16 referenced in this subchapter that is not in  
17 conflict or inconsistent with this  
18 subchapter is adopted and incorporated by  
19 reference.

20 Revised Law

21 Sec. 3812.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
22 chapter shall be liberally construed in conformity with the  
23 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
24 376.458, as added Acts 77th Leg., R.S., Ch. 1356.)

25 Source Law

26 Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This  
27 subchapter shall be liberally construed in conformity  
28 with the findings and purposes stated in this  
29 subchapter.

30 [Sections 3812.009-3812.050 reserved for expansion]

31 SUBCHAPTER B. BOARD OF DIRECTORS

32 Revised Law

33 Sec. 3812.051. BOARD OF DIRECTORS; TERMS. (a) The district  
34 is governed by a board of 11 directors who serve staggered terms of  
35 four years with five directors' terms expiring June 1 of an  
36 odd-numbered year and six directors' terms expiring June 1 of the  
37 following odd-numbered year.

38 (b) The board by resolution may increase or decrease the

1 number of directors on the board, but only if it is in the best  
2 interest of the district to do so. The board may not:

3 (1) increase the number of directors to more than 30;  
4 or

5 (2) decrease the number of directors to fewer than  
6 nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg.,  
7 R.S., Ch. 1356.)

8 Source Law

9 Sec. 376.459. BOARD OF DIRECTORS IN GENERAL.  
10 (a) The district is governed by a board of 11  
11 directors who serve staggered terms of four years,  
12 with five members' terms expiring June 1 of an  
13 odd-numbered year and six members' terms expiring June  
14 1 of the following odd-numbered year. The board may  
15 increase or decrease the number of directors on the  
16 board by resolution, provided that it is in the best  
17 interest of the district to do so and that the board  
18 consists of not fewer than 9 and not more than 30  
19 directors.

20 Revisor's Note

21 Section 376.459(b), Local Government Code, as  
22 added by Chapter 1356, Acts of the 77th Legislature,  
23 Regular Session, 2001, provides that Subchapter D,  
24 Chapter 375, Local Government Code, applies to the  
25 board to the extent that Subchapter D does not conflict  
26 with Subchapter K, Chapter 376, as added by Chapter  
27 1356, Acts of the 77th Legislature, Regular Session,  
28 2001 (revised as this chapter). The revised law omits  
29 the provision because it duplicates Section 376.457,  
30 Local Government Code, as added by Chapter 1356, Acts  
31 of the 77th Legislature, Regular Session, 2001  
32 (revised in this chapter as Section 3812.006), and  
33 Section 376.464, Local Government Code, as added by  
34 Chapter 1356, Acts of the 77th Legislature, Regular  
35 Session, 2001 (revised in this chapter as Section  
36 3812.007). Revised Section 3812.006 provides that  
37 Chapter 375, Local Government Code, applies to the  
38 district except as otherwise provided by this chapter,  
39 and revised Section 3812.007 provides that this

1 chapter prevails over any law that is in conflict with  
2 or inconsistent with this chapter. The omitted law  
3 reads:

4 (b) Subchapter D, Chapter 375,  
5 applies to the board to the extent that  
6 subchapter does not conflict with this  
7 subchapter. . . .

8 Revised Law

9 Sec. 3812.052. APPOINTMENT OF DIRECTORS. The mayor and  
10 members of the governing body of the City of Houston shall appoint  
11 directors from persons recommended by the board who meet the  
12 qualifications prescribed by Subchapter D, Chapter 375, Local  
13 Government Code. (Loc. Gov. Code, Sec. 376.460(a), as added Acts  
14 77th Leg., R.S., Ch. 1356.)

15 Source Law

16 Sec. 376.460. APPOINTMENT OF DIRECTORS;  
17 VACANCY. (a) The mayor and members of the governing  
18 body of the municipality shall appoint directors from  
19 persons recommended by the board who meet the  
20 qualifications of Subchapter D, Chapter 375.

21 Revisor's Note

22 Section 376.460(b), Local Government Code, as  
23 added by Chapter 1356, Acts of the 77th Legislature,  
24 Regular Session, 2001, refers to a vacancy in the  
25 office of director "because of the death, resignation,  
26 or removal of a director" and provides for appointing a  
27 replacement. The revised law omits this provision  
28 because it substantively duplicates Section 375.066,  
29 Local Government Code. Section 376.457, Local  
30 Government Code, as added by Chapter 1356, Acts of the  
31 77th Legislature, Regular Session, 2001 (revised in  
32 this chapter as Section 3812.006), provides that  
33 Chapter 375, Local Government Code, applies to the  
34 district. Therefore, it is not necessary to revise  
35 statutes that duplicate provisions in that chapter.  
36 Although Section 375.066 does not refer to "the death,  
37 resignation, or removal of a director," that language

1 is unnecessary because the quoted language merely  
2 describes every manner in which a vacancy may occur  
3 without limiting in any way the board's duty to fill a  
4 vacancy. The omitted law reads:

5 (b) A vacancy in the office of  
6 director because of the death, resignation,  
7 or removal of a director shall be filled by  
8 the remaining members of the board by  
9 appointing a qualified person for the  
10 unexpired term.

11 Revised Law

12 Sec. 3812.053. INITIAL DIRECTORS. (a) The initial board  
13 consists of the following persons:

14	Pos. No.	Name of Director
15	1	Jeanette Rash
16	2	Lisa Cabral
17	3	Rodrigo Gonzalez
18	4	Toy Brando Halsey
19	5	Dr. John Perez
20	6	Leticia Elias
21	7	Sam Treynor
22	8	Candy Perez
23	9	Dr. San Juanita Garza
24	10	Jesse Tanner
25	11	Frumencio Reyes

26 (b) The terms of the initial directors appointed for  
27 positions 1 through 5 expire on June 1, 2003, and the terms of the  
28 initial directors appointed for positions 6 through 11 expire on  
29 June 1, 2005.

30 (c) Section 3812.052 does not apply to this section.

31 (d) This section expires September 1, 2006. (Loc. Gov.  
32 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1356.)

33 Source Law

34 Sec. 376.476. INITIAL DIRECTORS. (a) The  
35 initial board consists of the following persons:

36	Pos. No.	Name of Director
37	1	Jeanette Rash
38	2	Lisa Cabral
39	3	Rodrigo Gonzalez

- 1                   4     Toy Brando Halsey
- 2                   5     Dr. John Perez
- 3                   6     Leticia Elias
- 4                   7     Sam Treynor
- 5                   8     Candy Perez
- 6                   9     Dr. San Juanita Garza
- 7                   10    Jesse Tanner
- 8                   11    Frumencio Reyes

9                   (b) Of the initial directors, the terms of  
 10 directors appointed for positions 1 through 5 expire  
 11 on June 1, 2003, and the terms of directors appointed  
 12 for positions 6 through 11 expire on June 1, 2005.

13                   (c) Section 376.460(a) does not apply to this  
 14 section.

15                   (d) This section expires September 1, 2006.

16                                   Revisor's Note  
 17                                   (End of Subchapter)

18                   Section 376.459(b), Local Government Code, as  
 19 added by Chapter 1356, Acts of the 77th Legislature,  
 20 Regular Session, 2001, refers to board votes and  
 21 actions under Subchapter D, Chapter 375, Local  
 22 Government Code. Section 376.457, Local Government  
 23 Code, as added by Chapter 1356, Acts of the 77th  
 24 Legislature, Regular Session, 2001 (revised in this  
 25 chapter as Section 3812.006), provides that Chapter  
 26 375, Local Government Code, applies to the district.  
 27 Therefore, it is not necessary to revise statutes that  
 28 duplicate provisions in that chapter. The omitted law  
 29 reads:

30                                   (b) . . . Directors may vote on any  
 31 matter authorized by Subchapter D, Chapter  
 32 375, and action may be taken by the board  
 33 only if it is approved in the manner  
 34 prescribed by Subchapter D, Chapter 375.

35                   [Sections 3812.054-3812.100 reserved for expansion]

36                                   SUBCHAPTER C. POWERS AND DUTIES

37   Revised Law

38                   Sec. 3812.101. DISTRICT POWERS. The district has:

39                                   (1) all powers necessary to accomplish the purposes  
 40 for which the district was created; and

41                                   (2) the powers given to a corporation under Section  
 42 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
 43 Texas Civil Statutes), and the power to own, operate, acquire,  
 44 construct, lease, improve, and maintain projects. (Loc. Gov. Code,

1 Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

2 Source Law

3 Sec. 376.461. POWERS OF DISTRICT. The district  
4 has:

5 (1) all powers necessary or required to  
6 accomplish the purposes for which the district was  
7 created;

8 . . .  
9 (3) the powers given to a corporation  
10 under Section 4B, Development Corporation Act of 1979  
11 (Article 5190.6, Vernon's Texas Civil Statutes), and  
12 the power to own, operate, acquire, construct, lease,  
13 improve, and maintain projects;

14 . . .

15 Revisor's Note

16 Section 376.461, Local Government Code, as added  
17 by Chapter 1356, Acts of the 77th Legislature, Regular  
18 Session, 2001, refers to powers "necessary or  
19 required" to accomplish the purposes of the district.  
20 The revised law omits "required" because, in this  
21 context, it is included in "necessary."

22 Revised Law

23 Sec. 3812.102. NONPROFIT CORPORATION. (a) The board by  
24 resolution may authorize the creation of a nonprofit corporation to  
25 assist and act for the district in implementing a project or  
26 providing a service authorized by this chapter.

27 (b) The nonprofit corporation:

28 (1) has each power of and is considered for purposes of  
29 this chapter to be a local government corporation created under  
30 Chapter 431, Transportation Code; and

31 (2) may implement any project and provide any service  
32 authorized by this chapter.

33 (c) The board shall appoint the board of directors of the  
34 nonprofit corporation. The board of directors of the nonprofit  
35 corporation shall serve in the same manner as, for the same term as,  
36 and on the same conditions as the board of directors of a local  
37 government corporation created under Chapter 431, Transportation  
38 Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S.,  
39 Ch. 1356.)

1 Source Law

2 Sec. 376.466. NONPROFIT CORPORATION. (a) The  
3 board by resolution may authorize the creation of a  
4 nonprofit corporation to assist and act on behalf of  
5 the district in implementing a project or providing a  
6 service authorized by this subchapter.

7 (b) The board shall appoint the board of  
8 directors of a nonprofit corporation created under  
9 this section. The board of directors of the nonprofit  
10 corporation shall serve in the same manner as, for the  
11 same term as, and on the conditions of the board of  
12 directors of a local government corporation created  
13 under Chapter 431, Transportation Code.

14 (c) A nonprofit corporation created under this  
15 section has the powers of and is considered for  
16 purposes of this subchapter to be a local government  
17 corporation created under Chapter 431, Transportation  
18 Code.

19 (d) A nonprofit corporation created under this  
20 section may implement any project and provide any  
21 services authorized by this subchapter.

22 Revised Law

23 Sec. 3812.103. CONTRACTS; GRANTS. (a) To protect the  
24 public interest, the district may contract with Harris County or  
25 the City of Houston for the county or the city to provide law  
26 enforcement services in the district for a fee.

27 (b) Harris County, the City of Houston, or another political  
28 subdivision of this state, without further authorization, may  
29 contract with the district to implement a project of the district or  
30 assist the district in providing a service authorized under this  
31 chapter. A contract under this subsection may:

32 (1) be for a period on which the parties agree;

33 (2) include terms on which the parties agree;

34 (3) be payable from taxes or any other source of  
35 revenue that may be available for that project or service; and

36 (4) provide terms under which taxes or other revenue  
37 collected at a district project or from a person using or purchasing  
38 a commodity or service at a district project may be paid or rebated  
39 to the district.

40 (c) The district may enter into a contract, lease, or other  
41 agreement with or make or accept a grant or loan to or from any  
42 person, including:

43 (1) the United States;

44 (2) this state or a state agency;

1 (3) any political subdivision of this state; and  
2 (4) a public or private corporation, including a  
3 nonprofit corporation created by the board under this subchapter.  
4 (d) The district may perform all acts necessary for the full  
5 exercise of the powers vested in the district on terms and for the  
6 period the board determines advisable. (Loc. Gov. Code, Sec.  
7 376.475, as added Acts 77th Leg., R.S., Ch. 1356.)

8 Source Law

9 Sec. 376.475. CONTRACTS. (a) To protect the  
10 public interest, the district may contract with the  
11 municipality or the county for the municipality or  
12 county to provide law enforcement services in the  
13 district for a fee.

14 (b) The municipality, the county, or another  
15 political subdivision of the state, without further  
16 authorization, may contract with the district to  
17 implement a project of the district or assist the  
18 district in providing the services authorized under  
19 this subchapter. A contract under this subsection  
20 may:

21 (1) be for a period on which the parties  
22 agree;

23 (2) include terms on which the parties  
24 agree;

25 (3) be payable from taxes or any other  
26 sources of revenue that may be available for that  
27 purpose; or

28 (4) provide that taxes or other revenue  
29 collected at a district project or from a person using  
30 or purchasing a commodity or service at a district  
31 project may be paid or rebated to the district under  
32 the terms of the contract.

33 (c) The district may enter into a contract,  
34 lease, or other agreement with or make or accept grants  
35 and loans to or from:

36 (1) the United States;

37 (2) the state or a state agency;

38 (3) a county, a municipality, or another  
39 political subdivision of the state;

40 (4) a public or private corporation,  
41 including a nonprofit corporation created by the board  
42 under this subchapter; or

43 (5) any other person.

44 (d) The district may perform all acts necessary  
45 for the full exercise of the powers vested in the  
46 district on terms and for the period the board  
47 determines advisable.

48 Revisor's Note

49 Section 375.475(c)(3), Local Government Code, as  
50 added by Chapter 1356, Acts of the 77th Legislature,  
51 Regular Session, 2001, refers to "a county, a  
52 municipality, or another political subdivision of the  
53 state." The revised law omits the references to

1 "county" and "municipality" because "county" and  
2 "municipality" are included in the meaning of  
3 "political subdivision."

4 Revisor's Note  
5 (End of Subchapter)

6 (1) Section 376.462, Local Government Code, as  
7 added by Chapter 1356, Acts of the 77th Legislature,  
8 Regular Session, 2001, prohibits the district from  
9 exercising the power of eminent domain. The revised  
10 law omits the section because it duplicates Section  
11 375.094, Local Government Code. Section 376.457, Local  
12 Government Code, as added by Chapter 1356, Acts of the  
13 77th Legislature, Regular Session, 2001 (revised in  
14 this chapter as Section 3812.006), provides that  
15 Chapter 375, Local Government Code, applies to the  
16 district. Therefore, it is not necessary to revise  
17 statutes that duplicate provisions in that chapter.  
18 The omitted law reads:

19 Sec. 376.462. EMINENT DOMAIN. The  
20 district may not exercise the power of  
21 eminent domain.

22 (2) Section 376.463, Local Government Code, as  
23 added by Chapter 1356, Acts of the 77th Legislature,  
24 Regular Session, 2001, provides that the district is  
25 solely responsible for expenses related to certain  
26 actions taken by the district and is liable for damages  
27 resulting from those actions. The revised law omits  
28 the section because it duplicates Section 375.093(c),  
29 Local Government Code. Section 376.457, Local  
30 Government Code, as added by Chapter 1356, Acts of the  
31 77th Legislature, Regular Session, 2001 (revised in  
32 this chapter as Section 3812.006), provides that  
33 Chapter 375, Local Government Code, applies to the  
34 district. Therefore, it is not necessary to revise  
35 statutes that duplicate provisions in that chapter.

1 The omitted law reads:

2 Sec. 376.463. EXPENSES AND LIABILITY  
3 FOR CERTAIN ACTIONS AFFECTING PROPERTY.

4 (a) If the district, in exercising a power  
5 conferred by this subchapter, requires a  
6 relocation, adjustment, raising, lowering,  
7 rerouting, or changing of the grade or the  
8 construction of any of the following items,  
9 the district must take that required action  
10 at the sole expense of the district:

11 (1) a street, alley, highway,  
12 overpass, underpass, road, railroad track,  
13 bridge, facility, or other property;

14 (2) an electric line, conduit,  
15 facility, or other property;

16 (3) a telephone or telegraph  
17 line, conduit, facility, or other property;

18 (4) a gas transmission or  
19 distribution pipe, pipeline, main,  
20 facility, or other property;

21 (5) a water, sanitary sewer, or  
22 storm sewer pipe, pipeline, main, facility,  
23 or other property;

24 (6) a cable television line,  
25 cable, conduit, facility, or other  
26 property; or

27 (7) another pipeline, facility,  
28 or other property relating to the pipeline.

29 (b) The district shall bear damages  
30 that are suffered by owners of the facility  
31 or other property.

32 [Sections 3812.104-3812.150 reserved for expansion]

33 SUBCHAPTER D. FINANCIAL PROVISIONS

34 Revised Law

35 Sec. 3812.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
36 IMPROVEMENTS. (a) The board may not finance a service or  
37 improvement project under this chapter unless a written petition  
38 requesting that service or improvement is filed with the board.

39 (b) The petition must be signed by:

40 (1) the owners of a majority of the assessed value of  
41 real property in the district according to the most recent  
42 certified tax appraisal roll for Harris County; or

43 (2) at least 50 owners of land in the district, if more  
44 than 50 persons own property in the district according to the most  
45 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
46 Code, Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 1356.)

47 Source Law

48 Sec. 376.465. REQUIREMENTS FOR FINANCING  
49 SERVICES AND IMPROVEMENTS. The board may not finance

1 services and improvement projects under this  
2 subchapter unless a written petition requesting those  
3 improvements or services has been filed with the  
4 board. The petition must be signed by:

5 (1) the owners of a majority of the  
6 assessed value of real property in the district as  
7 determined by the most recent certified county  
8 property tax rolls; or

9 (2) at least 50 persons who own land in the  
10 district, if there are more than 50 persons who own  
11 property in the district as determined by the most  
12 recent certified county property tax rolls.

13 Revisor's Note

14 Section 376.465, Local Government Code, as added  
15 by Chapter 1356, Acts of the 77th Legislature, Regular  
16 Session, 2001, refers to "the most recent certified  
17 [Harris] county property tax rolls." The revised law  
18 substitutes a reference to "the most recent certified  
19 tax appraisal roll for Harris County" to conform to the  
20 terminology of Title 1, Tax Code, including Section  
21 26.01 of that code, requiring the chief appraiser of an  
22 appraisal district to certify to the tax assessor of  
23 each taxing unit that has property in the appraisal  
24 district an appraisal roll that lists the properties  
25 taxable by that taxing unit and the value of those  
26 properties.

27 Revised Law

28 Sec. 3812.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
29 board by resolution shall establish the number of directors'  
30 signatures and the procedure required for a disbursement or  
31 transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as  
32 added Acts 77th Leg., R.S., Ch. 1356.)

33 Source Law

34 Sec. 376.467. DISBURSEMENTS OR TRANSFERS OF  
35 FUNDS. The board by resolution shall establish the  
36 number of directors' signatures and the procedure  
37 required for a disbursement or transfer of the  
38 district's money.

39 Revised Law

40 Sec. 3812.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
41 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
42 or impact fee requires a vote of a majority of the directors

1 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
2 77th Leg., R.S., Ch. 1356.)

3 Source Law

4 (b) . . . The imposition of a tax, assessment,  
5 or impact fee requires a vote of a majority of the  
6 directors serving. . . .

7 Revised Law

8 Sec. 3812.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
9 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
10 tax, assessment, or impact fee as provided by Chapter 375, Local  
11 Government Code, to provide an improvement or service for a project  
12 or activity the district may acquire, construct, improve, or  
13 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
14 as added Acts 77th Leg., R.S., Ch. 1356.)

15 Source Law

16 Sec. 376.461. . . . The district has:  
17 . . .  
18 (4) the power to impose ad valorem taxes,  
19 assessments, or impact fees in accordance with Chapter  
20 375 to provide improvements and services for a project  
21 or activity the district is authorized to acquire,  
22 construct, improve, or provide under this subchapter;  
23 and  
24 . . .

25 Revised Law

26 Sec. 3812.155. MAINTENANCE TAX. (a) If authorized at an  
27 election held in accordance with Section 3812.159, the district may  
28 impose an annual ad valorem tax on taxable property in the district  
29 to:

- 30 (1) maintain and operate the district and the  
31 improvements constructed or acquired by the district; or  
32 (2) provide a service.

33 (b) The board shall determine the tax rate. (Loc. Gov.  
34 Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1356.)

35 Source Law

36 Sec. 376.473. MAINTENANCE TAX. (a) If  
37 authorized at an election held in accordance with  
38 Section 376.471, the district may impose and collect  
39 an annual ad valorem tax on taxable property in the  
40 district for the maintenance and operation of the  
41 district and the improvements constructed or acquired  
42 by the district or for the provision of services.

1 (b) The board shall determine the tax rate.

2 Revisor's Note

3 Section 376.473, Local Government Code, as added  
4 by Chapter 1356, Acts of the 77th Legislature, Regular  
5 Session, 2001, provides that the district may "impose  
6 and collect" an ad valorem tax. The revised law omits  
7 "and collect" because "impose" is the term generally  
8 used in Title 1, Tax Code, and includes the collection  
9 of an ad valorem tax.

10 Revised Law

11 Sec. 3812.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
12 The board by resolution may impose and collect an assessment for any  
13 purpose authorized by this chapter.

14 (b) An assessment, a reassessment, or an assessment  
15 resulting from an addition to or correction of the assessment roll  
16 by the district, penalties and interest on an assessment or  
17 reassessment, an expense of collection, and reasonable attorney's  
18 fees incurred by the district:

19 (1) are a first and prior lien against the property  
20 assessed;

21 (2) are superior to any other lien or claim other than  
22 a lien or claim for county, school district, or municipal ad valorem  
23 taxes; and

24 (3) are the personal liability of and a charge against  
25 the owners of the property even if the owners are not named in the  
26 assessment proceeding.

27 (c) The lien is effective from the date of the board's  
28 resolution imposing the assessment until the date the assessment is  
29 paid. The board may enforce the lien in the same manner that the  
30 board may enforce an ad valorem tax lien against real property.

31 (d) The board may correct, add to, or delete assessments  
32 from its assessment rolls after notice and hearing as provided by  
33 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
34 Secs. 376.461 (part), 376.469 (part), as added Acts 77th Leg.,

1 R.S., Ch. 1356.)

2 Source Law

3 Sec. 376.461. . . . The district has:

4 . . . .  
5 (5) the power to correct, add to, or delete  
6 assessments from its assessment rolls after notice and  
7 hearing as provided by Subchapter F, Chapter 375.

8 Sec. 376.469. ASSESSMENTS. (a) The board may  
9 impose and collect an assessment . . . for any purpose  
10 authorized by this subchapter or . . . .

11 (b) Assessments, reassessments, or assessments  
12 resulting from an addition to or correction of the  
13 assessment roll by the district, penalties and  
14 interest on an assessment or reassessment, expenses of  
15 collection, and reasonable attorney's fees incurred by  
16 the district:

17 (1) are a first and prior lien against the  
18 property assessed;

19 (2) are superior to any other lien or claim  
20 other than a lien or claim for county, school district,  
21 or municipal ad valorem taxes; and

22 (3) are the personal liability of and  
23 charge against the owners of the property even if the  
24 owners are not named in the assessment proceedings.

25 (c) The lien is effective from the date of the  
26 resolution of the board levying the assessment until  
27 the assessment is paid. The board may enforce the lien  
28 in the same manner that the board may enforce an ad  
29 valorem tax lien against real property.

30 Revisor's Note

31 Section 376.469(a), Local Government Code, as  
32 added by Chapter 1356, Acts of the 77th Legislature,  
33 Regular Session, 2001, authorizes the imposition and  
34 collection of assessments under Subchapter F, Chapter  
35 375, Local Government Code. The revised law omits the  
36 language as unnecessary. Section 376.457, Local  
37 Government Code, as added by Chapter 1356, Acts of the  
38 77th Legislature, Regular Session, 2001 (revised in  
39 this chapter as Section 3812.006), provides that  
40 Chapter 375, Local Government Code, applies to the  
41 district. It is not necessary to include in this  
42 revision a provision that merely grants the district  
43 powers under that chapter. The omitted law reads:

44 (a) [The board may impose and collect  
45 an assessment] under Subchapter F, Chapter  
46 375, [for any purpose authorized by this  
47 subchapter or] Chapter 375.

1 Revised Law

2 Sec. 3812.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
3 ASSESSMENTS. (a) The district may not impose a tax, impact fee, or  
4 assessment on a residential property, multiunit residential  
5 property, or condominium.

6 (b) The district may not impose an impact fee or assessment  
7 on the property, equipment, or facilities of a person that provides  
8 to the public cable television, gas, light, power, telephone,  
9 sewage, or water service. (Loc. Gov. Code, Secs. 376.453(5),  
10 376.470, as added Acts 77th Leg., R.S., Ch. 1356.)

11 Source Law

12 [Sec. 376.453]

13 (5) "Utility" means a person that provides  
14 to the public cable television, gas, light, power,  
15 telephone, sewage, or water service.

16 Sec. 376.470. PROPERTY EXEMPTED FROM TAX, FEE,  
17 OR ASSESSMENT. (a) The district may not impose a tax,  
18 impact fee, or assessment on a residential property,  
19 multiunit residential property, or condominium.

20 (b) The district may not impose an impact fee or  
21 assessment on the property, equipment, or facilities  
22 of a utility.

23 Revised Law

24 Sec. 3812.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON.

25 (a) The district may issue bonds or other obligations payable in  
26 whole or in part from ad valorem taxes, assessments, impact fees,  
27 revenue, grants, or other money of the district, or any combination  
28 of those sources of money, to pay for any authorized purpose of the  
29 district.

30 (b) In exercising the district's borrowing power, the  
31 district may issue a bond or other obligation in the form of a bond,  
32 note, certificate of participation or other instrument evidencing a  
33 proportionate interest in payments to be made by the district, or  
34 other type of obligation.

35 (c) Except as provided by Subsection (d), the district must  
36 obtain the approval of the City of Houston:

37 (1) for the issuance of a bond for each improvement  
38 project;

1 (2) of the plans and specifications of the improvement  
2 project to be financed by the bond; and

3 (3) of the plans and specifications of a district  
4 improvement project related to:

5 (A) the use of land owned by the City of Houston;

6 (B) an easement granted by the City of Houston;

7 or

8 (C) a right-of-way of a street, road, or highway.

9 (d) If the district obtains the approval of the City of  
10 Houston of a capital improvements budget for a specified period not  
11 to exceed five years, the district may finance the capital  
12 improvements and issue bonds specified in the budget without  
13 further approval from the City of Houston. (Loc. Gov. Code, Sec.  
14 376.468, as added Acts 77th Leg., R.S., Ch. 1356.)

15 Source Law

16 Sec. 376.468. BONDS. (a) The district may  
17 issue bonds or other obligations payable in whole or in  
18 part from ad valorem taxes, assessments, impact fees,  
19 revenues, grants, or other money of the district, or  
20 any combination of those sources of money, to pay for  
21 any authorized purpose of the district.

22 (b) Bonds or other obligations of the district  
23 may be issued in the form of bonds, notes, certificates  
24 of participation, including other instruments  
25 evidencing a proportionate interest in payments to be  
26 made by the district, or other obligations that are  
27 issued in the exercise of the district's borrowing  
28 power and may be issued in bearer or registered form or  
29 not represented by an instrument but the transfer of  
30 which is registered on books maintained by or on behalf  
31 of the district.

32 (c) Except as provided by Subsection (d), the  
33 district must obtain the municipality's approval of:

34 (1) the issuance of bonds for an  
35 improvement project;

36 (2) the plans and specifications of the  
37 improvement project to be financed by the bonds; and

38 (3) the plans and specifications of a  
39 district improvement project related to:

40 (A) the use of land owned by the  
41 municipality;

42 (B) an easement granted by the  
43 municipality; or

44 (C) a right-of-way of a street, road,  
45 or highway.

46 (d) If the district obtains the municipality's  
47 approval of a capital improvements budget for a  
48 specified period not to exceed five years, the  
49 district may finance the capital improvements and  
50 issue bonds specified in the budget without further  
51 municipal approval.

1 Revisor's Note

2 Section 376.468(b), Local Government Code, as  
3 added by Chapter 1356, Acts of the 77th Legislature,  
4 Regular Session, 2001, provides that obligations "may  
5 be issued in bearer or registered form or not  
6 represented by an instrument but the transfer of which  
7 is registered on books maintained by or on behalf of  
8 the district." The revised law omits the quoted  
9 language as unnecessary because it substantially  
10 duplicates Sections 1201.022(a)(2) and 1201.023,  
11 Government Code. Section 1201.022(a)(2) permits  
12 bearer or registered form. Section 1201.023 permits  
13 uncertificated book entry. Those sections apply to  
14 obligations issued under Section 376.468, Local  
15 Government Code, as added by Chapter 1356, Acts of the  
16 77th Legislature, Regular Session, 2001, by  
17 application of Section 1201.002, Government Code.

18 Revised Law

19 Sec. 3812.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
20 addition to the election required under Subchapter L, Chapter 375,  
21 Local Government Code, the district must hold an election in the  
22 manner provided by that subchapter to obtain voter approval before  
23 the district may:

24 (1) impose a maintenance tax; or

25 (2) issue a bond payable from ad valorem taxes or  
26 assessments.

27 (b) The board may submit multiple purposes in a single  
28 proposition at an election. (Loc. Gov. Code, Sec. 376.471, as added  
29 Acts 77th Leg., R.S., Ch. 1356.)

30 Source Law

31 Sec. 376.471. ELECTIONS. (a) In addition to  
32 the elections the district must hold under Subchapter  
33 L, Chapter 375, the district shall hold an election in  
34 the manner provided by that subchapter to obtain voter  
35 approval before the district imposes a maintenance tax  
36 or issues bonds payable from ad valorem taxes or  
37 assessments.

1 (b) The board may submit multiple purposes in a  
2 single proposition at an election.

3 Revisor's Note  
4 (End of Subchapter)

5 Section 376.472, Local Government Code, as added  
6 by Chapter 1356, Acts of the 77th Legislature, Regular  
7 Session, 2001, grants the district the power to impose  
8 impact fees as provided by Subchapter G, Chapter 375,  
9 Local Government Code. The revised law omits the  
10 section as unnecessary. Section 376.457, Local  
11 Government Code, as added by Chapter 1356, Acts of the  
12 77th Legislature, Regular Session, 2001 (revised in  
13 this chapter as Section 3812.006), provides that  
14 Chapter 375, Local Government Code, applies to the  
15 district. Therefore, it is not necessary to revise  
16 statutes that merely grant the district powers under  
17 that chapter. The omitted law reads:

18 Sec. 376.472. IMPACT FEES. The  
19 district may impose an impact fee for an  
20 authorized purpose as provided by  
21 Subchapter G, Chapter 375.

22 [Sections 3812.160-3812.200 reserved for expansion]

23 SUBCHAPTER E. DISSOLUTION

24 Revised Law

25 Sec. 3812.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
26 DEBT. If the district has debt when it is dissolved, the district  
27 shall remain in existence solely for the purpose of discharging its  
28 bonds or other obligations according to their terms. (Loc. Gov.  
29 Code, Sec. 376.474 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

30 Source Law

31 Sec. 376.474. DISSOLUTION OF DISTRICT. . . .  
32 If the district has debt and is dissolved, the district  
33 shall remain in existence solely for the limited  
34 purpose of discharging its bonds or other obligations  
35 according to their terms.

36 Revisor's Note

37 Section 376.474, Local Government Code, as added  
38 by Chapter 1356, Acts of the 77th Legislature, Regular  
39 Session, 2001, grants the district the power to

1 dissolve under Subchapter M, Chapter 375, Local  
 2 Government Code. The revised law omits the language as  
 3 unnecessary. Section 376.457, Local Government Code,  
 4 as added by Chapter 1356, Acts of the 77th Legislature,  
 5 Regular Session, 2001 (revised in this chapter as  
 6 Section 3812.006), provides that Chapter 375, Local  
 7 Government Code, applies to the district. Therefore,  
 8 it is not necessary to revise statutes that merely  
 9 grant the district powers under that chapter. The  
 10 omitted law reads:

11                   Sec. 376.474. . . . The district may  
 12                   dissolve as provided by Subchapter M,  
 13                   Chapter 375. . . .

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33		<u>Revised Law</u>	
34	Sec. 3813.001.	DEFINITIONS. In this chapter:	

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

3 (2) "District" means the Old Town Spring Improvement  
4 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
5 77th Leg., R.S., Ch. 1371.)

6 Source Law

7 Sec. 376.453. DEFINITIONS. In this subchapter:  
8 (1) "Board" means the board of directors  
9 of the district.

10 (3) "District" means the Old Town Spring  
11 Improvement District.

12 Revisor's Note

13 Section 376.453(2), Local Government Code, as  
14 added by Chapter 1371, Acts of the 77th Legislature,  
15 Regular Session, 2001, defines "county" as Harris  
16 County. The revised law omits the definition for ease  
17 of understanding. Throughout this chapter, the  
18 revised law instead refers to Harris County unless the  
19 context clearly shows that the term "county" refers  
20 generally to any county. The omitted law reads:

21 (2) "County" means Harris  
22 County, Texas.

23 Revised Law

24 Sec. 3813.002. OLD TOWN SPRING IMPROVEMENT DISTRICT. The  
25 Old Town Spring Improvement District is a special district created  
26 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
27 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1371.)

28 Source Law

29 Sec. 376.451. CREATION OF DISTRICT. (a) The  
30 Old Town Spring Improvement District is created as a  
31 special district under Section 59, Article XVI, Texas  
32 Constitution.

33 Revisor's Note

34 Section 376.451(b), Local Government Code, as  
35 added by Chapter 1371, Acts of the 77th Legislature,  
36 Regular Session, 2001, states that the board may  
37 change the name of the district by resolution. The

1 revised law omits the section because it duplicates  
2 Section 375.096(d), Local Government Code. Section  
3 376.461(2), Local Government Code, as added by Chapter  
4 1371, Acts of the 77th Legislature, Regular Session,  
5 2001 (revised in this chapter as Section 3813.101(2)),  
6 provides that the district has the powers and duties of  
7 a municipal management district under Subchapter E,  
8 Chapter 375, Local Government Code, which is the  
9 subchapter containing Section 375.096. Therefore, it  
10 is not necessary to revise statutes that duplicate  
11 provisions that provide a power or impose a duty in  
12 that subchapter. The omitted law reads:

13 (b) The board by resolution may  
14 change the district's name.

15 Revised Law

16 Sec. 3813.003. PURPOSE; DECLARATION OF INTENT. (a) The  
17 creation of the district is essential to accomplish the purposes of  
18 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
19 Texas Constitution, and other public purposes stated in this  
20 chapter.

21 (b) The creation of the district is necessary to promote,  
22 develop, encourage, and maintain employment, commerce,  
23 transportation, housing, tourism, recreation, the arts,  
24 entertainment, economic development, safety, scenic beauty, and  
25 the public welfare in the Old Town Spring area of Harris County.

26 (c) This chapter and the creation of the district do not  
27 relieve Harris County from providing the level of services provided  
28 as of September 1, 2001, to the area in the district. The district  
29 is created to supplement and not to replace the county services  
30 provided in the area in the district. (Loc. Gov. Code, Sec.  
31 376.452, as added Acts 77th Leg., R.S., Ch. 1371.)

32 Source Law

33 Sec. 376.452. DECLARATION OF INTENT. (a) The  
34 creation of the district is necessary to promote,  
35 develop, encourage, and maintain employment,  
36 commerce, transportation, housing, tourism,

1 recreation, arts, entertainment, economic  
2 development, safety, scenic beauty, and the public  
3 welfare in the Old Town Spring area of Harris County.

4 (b) The creation of the district and this  
5 legislation do not relieve the county from providing  
6 the level of services, as of the effective date of this  
7 subchapter, it has to provide to the area in the  
8 district. The district is created to supplement and  
9 not replace the county services provided in the area in  
10 the district.

11 (c) The creation of the district is essential to  
12 accomplish the purposes of Section 52, Article III,  
13 Section 59, Article XVI, and Section 52-a, Article  
14 III, Texas Constitution, and other public purposes  
15 stated in this subchapter.

16 Revisor's Note

17 Section 376.452(b), Local Government Code, as  
18 added by Chapter 1371, Acts of the 77th Legislature,  
19 Regular Session, 2001, refers to "the effective date  
20 of this subchapter." Subchapter K, Chapter 376, Local  
21 Government Code, was enacted by Chapter 1371, Acts of  
22 the 77th Legislature, Regular Session, 2001, which  
23 took effect September 1, 2001. The revised law  
24 substitutes that date for the quoted language.

25 Revised Law

26 Sec. 3813.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE;  
27 GENERAL DUTIES. (a) The district is created to serve a public use  
28 and benefit.

29 (b) All land and other property included in the district  
30 will benefit from the improvements and services to be provided by  
31 the district under powers conferred by Sections 52 and 52-a,  
32 Article III, and Section 59, Article XVI, Texas Constitution, and  
33 other powers granted under this chapter.

34 (c) The creation of the district is in the public interest  
35 and is essential to:

36 (1) further the public purposes of developing and  
37 diversifying the economy of the state;

38 (2) eliminate unemployment and underemployment; and

39 (3) develop or expand transportation and commerce.

40 (d) The district shall:

41 (1) promote the health, safety, and general welfare of

1 residents, merchants, landowners, employers, potential employees,  
2 employees, visitors, and consumers in the district, and of the  
3 public;

4 (2) provide needed funding for the Old Town Spring  
5 area to preserve, maintain, and enhance the economic health and  
6 vitality of the area as a community and business center;

7 (3) provide and maintain common areas and facilities  
8 in the district to ensure scenic beauty;

9 (4) provide improvements in the district to promote  
10 the welfare of the public, residents, merchants, and landowners in  
11 the district; and

12 (5) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic beauty.

16 (e) The district may not act as the agent or instrumentality  
17 of any private interest even though the district will benefit many  
18 private interests as well as the public. (Loc. Gov. Code, Sec.  
19 376.456, as added Acts 77th Leg., R.S., Ch. 1371.)

20 Source Law

21 Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC  
22 PURPOSE; GENERAL DUTIES. (a) The district is  
23 created to serve a public use and benefit. All the  
24 land and other property included in the district will  
25 be benefited by the improvements and services to be  
26 provided by the district under powers conferred by  
27 Section 52, Article III, Section 59, Article XVI, and  
28 Section 52-a, Article III, Texas Constitution, and  
29 other powers granted under this subchapter.

30 (b) The creation of the district is in the  
31 public interest and is essential to:

32 (1) further the public purposes of the  
33 development and diversification of the economy of the  
34 state; and

35 (2) eliminate unemployment and  
36 underemployment and develop or expand transportation  
37 and commerce.

38 (c) The district shall:

39 (1) promote the health, safety, and  
40 general welfare of residents, merchants, landowners,  
41 employers, potential employees, employees, visitors,  
42 consumers in the district, and the general public;

43 (2) provide needed funding for the Old  
44 Town Spring area to preserve, maintain, and enhance  
45 the economic health and vitality of the area as a  
46 community and business center;

47 (3) provide and maintain common areas and

1 facilities in the district to ensure scenic beauty;  
2 (4) provide improvements in the district  
3 to promote the welfare of the public, residents,  
4 merchants, and landowners in the district; and

5 (5) further promote the health, safety,  
6 welfare, and enjoyment of the public by providing  
7 pedestrian ways and by landscaping and developing  
8 certain areas in the district, which are necessary for  
9 the restoration, preservation, and enhancement of  
10 scenic beauty.

11 (d) The district may not act as the agent or  
12 instrumentality of any private interest even though  
13 many private interests will be benefitted by the  
14 district, as will the public.

15 Revised Law

16 Sec. 3813.005. DISTRICT TERRITORY. (a) The district is  
17 composed of the territory described by Section 1, Chapter 1371,  
18 Acts of the 77th Legislature, Regular Session, 2001, enacting  
19 former Section 376.454, Local Government Code, as that territory  
20 may have been modified under:

21 (1) Section 3813.107(a) or its predecessor statute,  
22 former Section 376.462(a)(3), Local Government Code, as added by  
23 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

24 (2) Subchapter J, Chapter 49, Water Code; or

25 (3) other law.

26 (b) The boundaries and field notes of the district contained  
27 in Section 1, Chapter 1371, Acts of the 77th Legislature, Regular  
28 Session, 2001, enacting former Section 376.454, Local Government  
29 Code, form a closure. A mistake in the field notes or in copying the  
30 field notes in the legislative process does not in any way affect  
31 the district's:

32 (1) organization, existence, or validity;

33 (2) right to issue any type of bond for a purpose for  
34 which the district is created or to pay the principal of and  
35 interest on the bond;

36 (3) right to impose or collect an assessment or tax; or

37 (4) legality or operation. (Loc. Gov. Code, Sec.  
38 376.455, as added Acts 77th Leg., R.S., Ch. 1371; New.)

39 Source Law

40 Sec. 376.455. FINDINGS RELATING TO  
41 BOUNDARIES. The boundaries and field notes of the  
42 district form a closure. If a mistake is made in the

1 field notes or in copying the field notes in the  
2 legislative process, the mistake does not in any way  
3 affect the district's:

- 4 (1) organization, existence, or validity;
- 5 (2) right to issue any type of bond for the  
6 purposes for which the district is created or to pay  
7 the principal of and interest on a bond;
- 8 (3) right to impose or collect an  
9 assessment or tax; or
- 10 (4) legality or operation.

11 Revisor's Note

12 The revision of the law governing the Old Town  
13 Spring Improvement District does not revise the  
14 statutory language describing the territory of the  
15 district because that description may not be accurate  
16 on the effective date of the revision or at the time of  
17 a later reading. For the reader's convenience, the  
18 revised law includes a reference to the statutory  
19 description of the district's territory and references  
20 to the statutory authority to change the district's  
21 territory under Section 376.462(a)(3), Local  
22 Government Code, as added by Chapter 1371, Acts of the  
23 77th Legislature, Regular Session, 2001 (revised as  
24 Section 3813.107(a) of this chapter), and under  
25 Subchapter J, Chapter 49, Water Code, applicable to  
26 the district under revised Section 3813.107(a). The  
27 revised law also includes a reference to the general  
28 authority of the legislature to enact other laws to  
29 change the district's territory.

30 [Sections 3813.006-3813.050 reserved for expansion]

31 SUBCHAPTER B. BOARD OF DIRECTORS

32 Revised Law

33 Sec. 3813.051. BOARD OF DIRECTORS. (a) The district is  
34 governed by a board of five directors who occupy numbered  
35 positions. The directors occupying positions one, two, and three  
36 are appointed under this section, and the directors occupying  
37 positions four and five are elected as provided by this section and  
38 Section 3813.052.

39 (b) The Commissioners Court of Harris County shall appoint:

1 (1) one person who leases a retail store or who owns  
2 real property in the district to serve in position one for a  
3 three-year term;

4 (2) one person who leases a retail store but does not  
5 own real property in the district to serve in position two for a  
6 two-year term; and

7 (3) one person who owns real property in the district  
8 to serve in position three for a three-year term.

9 (c) A director elected under Section 3813.052 serves a  
10 two-year term. To qualify as a candidate for position four, a  
11 person must reside in the district. To qualify as a candidate for  
12 position five, a person must lease a retail store or own real  
13 property in the district.

14 (d) A term expires on January 31 of the appropriate year.

15 (e) In appointing directors under Subsection (b), the  
16 commissioners court shall consider any recommendation received by  
17 an organization dedicated to the economic development of the Old  
18 Town Spring area. (Loc. Gov. Code, Sec. 376.457, as added Acts 77th  
19 Leg., R.S., Ch. 1371.)

20 Source Law

21 Sec. 376.457. BOARD OF DIRECTORS. (a) In this  
22 section, "commissioners court" means the  
23 commissioners court of the county.

24 (b) The district is governed by a board of five  
25 directors occupying numbered positions.

26 (c) Except for the initial directors, the  
27 directors occupying positions one, two, and three are  
28 appointed under this section and the directors  
29 occupying positions four and five are elected as  
30 provided by this section and Section 376.460.

31 (d) The commissioners court shall appoint:

32 (1) one person who leases a retail store or  
33 owns real property in the district, who shall serve in  
34 position one for a three-year term;

35 (2) one person who leases a retail store  
36 but does not own real property in the district, who  
37 shall serve in position two for a two-year term; and

38 (3) one person who owns real property in  
39 the district, who shall serve in position three for a  
40 three-year term.

41 (e) Directors elected under Section 376.460  
42 shall serve two-year terms. To qualify as a candidate  
43 for position four, a person must reside in the  
44 district. To qualify as a candidate for position five,  
45 a person must lease a retail store or own real property  
46 in the district.

47 (f) A term expires on January 31 of the

1 appropriate year.

2 (g) In appointing directors under Subsection  
3 (d), the commissioners court shall consider any  
4 recommendations received by an organization dedicated  
5 to the economic development of the Old Town Spring area  
6 of the county.

7 Revisor's Note

8 Section 376.457(c), Local Government Code, as  
9 added by Chapter 1371, Acts of the 77th Legislature,  
10 Regular Session, 2001, provides that "[e]xcept for the  
11 initial directors," directors of the district are  
12 appointed or elected as provided by Sections 376.457  
13 and 376.460, Local Government Code, as added by  
14 Chapter 1371, Acts of the 77th Legislature, Regular  
15 Session, 2001. Section 3, Chapter 1371, Acts of the  
16 77th Legislature, Regular Session, 2001, named the  
17 persons who were to serve as the initial directors and  
18 provided that the terms of three of the initial  
19 directors would expire January 31, 2004, and the terms  
20 of the other two initial directors would expire  
21 January 31, 2005. Because this codification will not  
22 take effect until June 1, 2005, the revised law omits  
23 the quoted language as executed.

24 Revised Law

25 Sec. 3813.052. ELECTION OF DIRECTORS. (a) The board  
26 shall hold an election of directors for positions four and five in  
27 each even-numbered year on the uniform election date in February  
28 established by Section 41.001, Election Code.

29 (b) In addition to the contents required by the Election  
30 Code, notice of a directors' election must:

- 31 (1) state the number of directors to be voted on; and  
32 (2) describe the qualifications for each position for  
33 which a candidate is running.

34 (c) In addition to requirements prescribed by the Election  
35 Code, the ballots for a directors' election shall describe the  
36 qualifications of the position for which each candidate is running.

37 (d) The board shall certify that the person receiving the

1 highest number of votes for each position is elected as the director  
2 for that position. (Loc. Gov. Code, Sec. 376.460, as added Acts  
3 77th Leg., R.S., Ch. 1371.)

4 Source Law

5 Sec. 376.460. ELECTION OF DIRECTORS. (a) The  
6 board shall call and hold an election of directors for  
7 positions four and five in each even-numbered year on  
8 the uniform election date in January established by  
9 Section 41.001, Election Code.

10 (b) Notice of a directors election must:

11 (1) state the day and place for holding the  
12 election;

13 (2) state the number of directors to be  
14 voted on; and

15 (3) describe the qualifications of the  
16 positions for which the candidates are running.

17 (c) The ballots for a directors election shall  
18 provide the names of the candidates for each position  
19 and describe the qualifications of the position for  
20 which the candidates are running.

21 (d) Immediately after the directors election,  
22 the presiding judge shall take the election returns to  
23 the board. The board shall canvass the returns and  
24 certify that the persons receiving the highest number  
25 of votes for each position are elected as directors for  
26 that position.

27 Revisor's Note

28 (1) Section 376.460(a), Local Government Code,  
29 as added by Chapter 1371, Acts of the 77th Legislature,  
30 Regular Session, 2001, requires the board of directors  
31 of the district to "call and hold" an election for  
32 directors for positions four and five. The revised law  
33 omits "call" as unnecessary because under the Election  
34 Code, "holding" an election necessarily includes  
35 "calling" the election. In the context of election  
36 law, "calling" an election is synonymous with  
37 "ordering" one. Under Section 3.001, Election Code,  
38 each general or special election must be "ordered" as  
39 provided by Chapter 3, Election Code, and under  
40 Section 3.004(a)(3), Election Code, the governing body  
41 of a political subdivision shall order an election for  
42 the general election of members of that governing  
43 body.

44 (2) Section 376.460(a), Local Government Code,

1 as added by Chapter 1371, Acts of the 77th Legislature,  
2 Regular Session, 2001, provides that an election for  
3 directors of the district is to be held "on the uniform  
4 election date in January established by Section  
5 41.001, Election Code." Section 2, Chapter 340, Acts  
6 of the 77th Legislature, Regular Session, 2001,  
7 amended Section 41.001(a)(1), Election Code, to change  
8 "the uniform election date" of the third Saturday in  
9 January to the first Saturday in February. The revised  
10 law is drafted accordingly.

11 (3) Section 376.460(b)(1), Local Government  
12 Code, as added by Chapter 1371, Acts of the 77th  
13 Legislature, Regular Session, 2001, requires the  
14 notice of a directors' election in the district to  
15 "state the day and place for holding the election."  
16 The revised law omits this requirement as unnecessary  
17 because it duplicates Section 4.004(a), Election Code,  
18 which requires the notice of an election to include,  
19 among other things, "the . . . date of the election"  
20 and "the location of each polling place."

21 (4) Section 376.460(c), Local Government Code,  
22 as added by Chapter 1371, Acts of the 77th Legislature,  
23 Regular Session, 2001, requires the ballot in a  
24 directors' election in the district to "provide the  
25 names of the candidates for each position." The  
26 revised law omits this requirement as unnecessary  
27 because it duplicates Section 52.003, Election Code,  
28 which requires the authority responsible for having  
29 the ballot prepared to place on the ballot the name of  
30 each candidate entitled to a place on the ballot.

31 (5) Section 376.460(d), Local Government Code,  
32 as added by Chapter 1371, Acts of the 77th Legislature,  
33 Regular Session, 2001, provides in part that  
34 "[i]mmediately after the directors election, the

1           presiding judge shall take the election returns to the  
2           board."    The revised law omits this requirement  
3           because it duplicates Sections 66.022 and 66.051(a),  
4           Election Code, which together require the presiding  
5           election judge to place the election returns in an  
6           envelope and deliver the envelope to the presiding  
7           officer of the local canvassing authority. Section  
8           376.060(d) also provides that "[t]he board shall  
9           canvass the returns" of a directors' election. The  
10          revised law omits this requirement because it  
11          duplicates Section 67.002, Election Code, which  
12          requires the governing body of a political subdivision  
13          that orders an election to canvass the returns.

14                                   Revised Law

15          Sec. 3813.053. LAW GOVERNING ADMINISTRATION OF BOARD.  
16          Sections 375.066-375.070, Local Government Code, apply to the board  
17          as if it were established under Chapter 375 of that code. (Loc.  
18          Gov. Code, Sec. 376.458, as added Acts 77th Leg., R.S., Ch. 1371.)

19                                   Source Law

20                   Sec. 376.458. ADMINISTRATION OF BOARD.  
21                   Sections 375.066-375.070 apply to the board as if it  
22                   were established under Chapter 375.

23                                   Revised Law

24          Sec. 3813.054. VOTING BY BOARD PRESIDENT RESTRICTED. The  
25          board president may not vote except to break a tie vote. (Loc. Gov.  
26          Code, Sec. 376.459, as added Acts 77th Leg., R.S., Ch. 1371.)

27                                   Source Law

28                   Sec. 376.459. RESTRICTION ON VOTING. The  
29                   president of the board may not vote except to break a  
30                   tie vote.

31                   [Sections 3813.055-3813.100 reserved for expansion]

32                                   SUBCHAPTER C. POWERS AND DUTIES

33                                   Revised Law

34          Sec. 3813.101. DISTRICT POWERS. The district has:

35                   (1) all powers necessary to accomplish the purposes  
36                   for which the district was created;

1 (2) the powers and duties of a municipal management  
2 district under Subchapter E, Chapter 375, Local Government Code;  
3 and

4 (3) the powers given to an industrial development  
5 corporation organized under the Development Corporation Act of 1979  
6 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,  
7 Sec. 376.461, as added Acts 77th Leg., R.S., Ch. 1371.)

8 Source Law

9 Sec. 376.461. GENERAL POWERS. The district  
10 has:

11 (1) all powers necessary or required to  
12 accomplish the purposes for which the district was  
13 created;

14 (2) the powers and duties of a municipal  
15 management district under Subchapter E, Chapter 375;  
16 and

17 (3) the powers given to an industrial  
18 development corporation organized under the  
19 Development Corporation Act of 1979 (Article 5190.6,  
20 Vernon's Texas Civil Statutes).

21 Revisor's Note

22 Section 376.461(1), Local Government Code, as  
23 added by Chapter 1371, Acts of the 77th Legislature,  
24 Regular Session, 2001, refers to powers "necessary or  
25 required" to accomplish the purposes of the district.  
26 The revised law omits "required" because, in this  
27 context, it is included in the meaning of "necessary."

28 Revised Law

29 Sec. 3813.102. RELATION TO OTHER LAW. This chapter  
30 prevails over a law to which Section 3813.101 or Subchapter E,  
31 Chapter 375, Local Government Code, refers that is in conflict with  
32 or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.464  
33 (part), as added Acts 77th Leg., R.S., Ch. 1371.)

34 Source Law

35 Sec. 376.464. RELATION TO OTHER LAW. If a law  
36 referenced in Section 376.461 or referenced in  
37 Subchapter E, Chapter 375, is in conflict with or  
38 inconsistent with this subchapter, this subchapter  
39 prevails. . . .

40 Revisor's Note

41 Section 376.464, Local Government Code, as added

1 by Chapter 1371, Acts of the 77th Legislature, Regular  
2 Session, 2001, states that "[a] law referenced in  
3 Section 376.461 or Subchapter E, Chapter 375, that is  
4 not in conflict with or inconsistent with this  
5 subchapter is adopted and incorporated by reference  
6 and may be used by the district independently of each  
7 other." The revised law omits the quoted language as  
8 unnecessary. Because this chapter references the laws  
9 that apply to the district, it is not necessary to  
10 duplicate the substance of those laws in this section  
11 by means of adoption and incorporation. It is not  
12 necessary to state that those laws "may be used . . .  
13 independently of each other" because a statement that  
14 two or more other laws apply to this chapter does not  
15 suggest that the district must use those laws  
16 together. The omitted law reads:

17                   Sec. 376.464. . . . A law referenced  
18 in Section 376.461 or Subchapter E, Chapter  
19 375, that is not in conflict with or  
20 inconsistent with this subchapter is  
21 adopted and incorporated by reference and  
22 may be used by the district independently of  
23 each other.

24   Revised Law

25           Sec. 3813.103. RULES. The district may adopt rules for:

- 26                   (1) the administration and operation of the district;  
27                   (2) the use, enjoyment, availability, protection,  
28 security, and maintenance of the district's facilities; and  
29                   (3) the provision of public safety and security in the  
30 district. (Loc. Gov. Code, Sec. 376.462(a) (part), as added Acts  
31 77th Leg., R.S., Ch. 1371.)

32   Source Law

- 33           (a) The district may:  
34                   . . .  
35                   (7) adopt rules for:  
36                                   (A) the administration and operation  
37 of the district;  
38                                   (B) the use, enjoyment,  
39 availability, protection, security, and maintenance  
40 of the district's facilities; and  
41                                   (C) the provision of public safety

1 and security in the district;

2 . . .

3 Revised Law

4 Sec. 3813.104. SPECIFIC POWERS RELATING TO IMPROVEMENT  
5 PROJECTS OR SERVICES. (a) The district may undertake an  
6 improvement project separately or jointly with another person and  
7 pay all or part of the costs of an improvement project, including an  
8 improvement project that:

9 (1) improves, enhances, or supports public safety and  
10 security, fire protection, emergency medical services, or law  
11 enforcement in the district;

12 (2) confers a general benefit on the entire district  
13 and the areas adjacent to the district; or

14 (3) confers a special benefit on all or part of the  
15 district.

16 (b) A district improvement project or service may include:

17 (1) the construction, acquisition, lease, rental,  
18 installment purchase, improvement, rehabilitation, repair,  
19 relocation, and operation of:

20 (A) landscaping; lighting, banners, or signs;  
21 streets or sidewalks; pedestrian or bicycle paths and trails;  
22 pedestrian walkways, skywalks, crosswalks, or tunnels; and highway  
23 right-of-way or transit corridor beautification and improvements;

24 (B) drainage or storm water detention  
25 improvements and solid waste, water, sewer, or power facilities and  
26 services, including electrical, gas, steam, and chilled water  
27 facilities and services;

28 (C) parks, lakes, gardens, recreational  
29 facilities, open space, scenic areas, and related exhibits and  
30 preserves; fountains, plazas, or pedestrian malls; public art or  
31 sculpture and related exhibits and facilities and educational or  
32 cultural exhibits and facilities, including exhibits, displays,  
33 attractions, or facilities for special events, holidays, or  
34 seasonal or cultural celebrations;

35 (D) off-street parking facilities, bus

1 terminals, heliports, mass transit, and roadway or water  
2 transportation systems; and

3 (E) other public improvements, facilities, or  
4 services similar to the improvements, facilities, or services  
5 described by Paragraphs (A)-(D);

6 (2) the cost of removing, razing, demolishing, or  
7 clearing of land or improvements in connection with providing an  
8 improvement project;

9 (3) the acquisition of property or an interest in the  
10 property that is made in connection with an improvement project;  
11 and

12 (4) the provision of special or supplemental services  
13 to improve or promote the area in the district or to protect the  
14 public health and safety in the district, including advertising,  
15 promotion, tourism, health and sanitation, public safety,  
16 security, fire protection or emergency medical services, business  
17 recruitment, development, elimination of traffic congestion, and  
18 recreational, educational, or cultural improvements, enhancements,  
19 or services. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.463, as  
20 added Acts 77th Leg., R.S., Ch. 1371.)

21 Source Law

22 [Sec. 376.462]

23 (a) The district may:

24 . . .  
25 (9) undertake improvement projects  
26 separately or jointly with other persons or entities  
27 and pay all or part of the costs of improvement  
28 projects, including improvement projects that:

29 (A) improve, enhance, or support  
30 public safety and security, fire protection, emergency  
31 medical services, or law enforcement in the district;

32 (B) confer a general benefit on the  
33 entire district and the areas adjacent to the  
34 district; or

35 (C) confer a special benefit on all  
36 or part of the district.

37 Sec. 376.463. SPECIFIC POWERS RELATING TO  
38 IMPROVEMENTS. An improvement project or service  
39 provided by the district may include:

40 (1) the construction, acquisition, lease,  
41 rental, installment purchase, improvement,  
42 rehabilitation, repair, relocation, and operation of:

43 (A) landscaping; lighting, banners,  
44 or signs; streets or sidewalks; pedestrian or bicycle  
45 paths and trails; pedestrian walkways, skywalks,

1 crosswalks, or tunnels; and highway right-of-way or  
2 transit corridor beautification and improvements;

3 (B) drainage or storm water detention  
4 improvements and solid waste, water, sewer, or power  
5 facilities and services, including electrical, gas,  
6 steam, and chilled water facilities and services;

7 (C) parks, lakes, gardens,  
8 recreational facilities, open space, scenic areas, and  
9 related exhibits and preserves; fountains, plazas, or  
10 pedestrian malls; public art or sculpture and related  
11 exhibits and facilities and educational or cultural  
12 exhibits and facilities, including exhibits,  
13 displays, attractions, or facilities for special  
14 events, holidays, or seasonal or cultural  
15 celebrations;

16 (D) off-street parking facilities,  
17 bus terminals, heliports, mass transit, and roadway or  
18 water transportation systems; and

19 (E) other public improvements,  
20 facilities, or services similar to the improvements,  
21 facilities, or services described by Paragraphs  
22 (A)-(D);

23 (2) the cost of removal, razing,  
24 demolition, or clearing of land or improvements in  
25 connection with providing an improvement project;

26 (3) the acquisition of property or an  
27 interest in the property that is made in connection  
28 with an authorized improvement project; and

29 (4) the provision of special or  
30 supplemental services to improve or promote the area  
31 in the district or to protect the public health and  
32 safety in the district, including advertising,  
33 promotion, tourism, health and sanitation, public  
34 safety, security, fire protection or emergency medical  
35 services, business recruitment, development,  
36 elimination of traffic congestion, and recreational,  
37 educational, or cultural improvements, enhancements,  
38 or services.

39 Revisor's Note

40 Section 376.462(a)(9), Local Government Code, as  
41 added by Chapter 1371, Acts of the 77th Legislature,  
42 Regular Session, 2001, refers to "other persons or  
43 entities." The revised law omits "entities" because  
44 under Section 311.005(2), Government Code (Code  
45 Construction Act), "person" is defined to include any  
46 legal entity. That definition applies to the revised  
47 law.

48 Revised Law

49 Sec. 3813.105. LEASE, ACQUISITION, OR CONSTRUCTION OF  
50 BUILDING OR FACILITY; ECONOMIC DEVELOPMENT PROGRAMS. The district  
51 may, as if the district were a home-rule municipality with a  
52 population of more than 100,000:

53 (1) issue bonds and lease, acquire, or construct a

1 building or facility as provided by Subchapter A, Chapter 1509,  
2 Government Code; and

3 (2) establish and administer a program as provided by  
4 Section 380.002, Local Government Code. (Loc. Gov. Code, Sec.  
5 376.462(d), as added Acts 77th Leg., R.S., Ch. 1371.)

6 Source Law

7 (d) The district may, as if the district was a  
8 home-rule municipality with a population of more than  
9 100,000:

10 (1) issue bonds and lease, acquire, or  
11 construct a building or facility as provided by  
12 Section 380.002; and

13 (2) establish and administer a program as  
14 provided by Subchapter A, Chapter 1509, Government  
15 Code.

16 Revisor's Note

17 Section 376.462(d)(1), Local Government Code, as  
18 added by Chapter 1371, Acts of the 77th Legislature,  
19 Regular Session, 2001, provides that the district may  
20 "issue bonds and lease, acquire, or construct a  
21 building or facility as provided by Section 380.002,"  
22 meaning Section 380.002, Local Government Code.  
23 Section 376.462(d)(2), Local Government Code, as added  
24 by Chapter 1371, Acts of the 77th Legislature, Regular  
25 Session, 2001, provides that the district may  
26 "establish and administer a program as provided by  
27 Subchapter A, Chapter 1509, Government Code." It is  
28 clear from the context that the cross-references in  
29 Subdivisions (1) and (2) do not make sense and are  
30 erroneously reversed. Section 380.002(a), Local  
31 Government Code, authorizes certain municipalities to  
32 "create programs for the grant of public money to any  
33 organization exempt from taxation under Section 501(a)  
34 of the Internal Revenue Code of 1986 as an organization  
35 described in Section 501(c)(3) of that code for the  
36 public purposes of development and diversification of  
37 the economy of the state, elimination of unemployment  
38 or underemployment in the state, and development or

1 expansion of commerce in the state." That section does  
2 not authorize a municipality to issue bonds or lease,  
3 acquire, or construct a building or facility. Section  
4 1509.001, Government Code, authorizes a municipality  
5 to "construct or acquire a building or other facility  
6 for the purpose of leasing the land, building, or other  
7 facility" to a public or private entity. Section  
8 1509.003, Government Code, authorizes a municipality  
9 to "issue and sell bonds to finance an action taken  
10 under Section 1509.001." Subchapter A, Chapter 1509,  
11 Government Code, does not refer to or authorize a  
12 municipality to create or operate a "program."

13 The conclusion that this is a mere  
14 cross-reference error is buttressed by Section  
15 376.464, Local Government Code, as added by Chapter  
16 1380, Acts of the 77th Legislature, Regular Session,  
17 2001. That section, which applies to the Port Bolivar  
18 Improvement District, provides that the district may  
19 "issue bonds and lease, acquire, or construct a  
20 building or facility as provided by Subchapter A,  
21 Chapter 1509, Government Code; and . . . establish and  
22 administer a program as provided by Section 380.002."

23 The revised law is drafted accordingly.

24 Revised Law

25 Sec. 3813.106. CONTRACTS; GRANTS; DONATIONS. (a) The  
26 district may contract with any person to accomplish the purposes of  
27 this chapter on terms and for the period the board determines,  
28 including contracting for the payment of costs incurred by the  
29 person on behalf of the district, including all or part of the costs  
30 of an improvement project, from tax proceeds or any other specified  
31 source of money.

32 (b) The district may contract with a person to receive,  
33 administer, and perform the district's duties under a gift, grant,  
34 loan, conveyance, transfer, bequest, donation, or other financial

1 arrangement relating to the investigation, planning, analysis,  
2 acquisition, construction, completion, implementation, or  
3 operation of a proposed or existing improvement project.

4 (c) Any person, including any type of governmental entity,  
5 may contract with the district to carry out the purposes of this  
6 chapter. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.475, as  
7 added Acts 77th Leg., R.S., Ch. 1371.)

8 Source Law

9 [Sec. 376.462]

10 (a) The district may:

11 . . .  
12 (4) contract with a person to accomplish  
13 the district's purposes, including entering into a  
14 contract for the payment of costs incurred by the  
15 person on behalf of the district, including all or part  
16 of the costs of an improvement project, from tax  
17 proceeds or any other specified source of money;

18 (5) contract with a person to receive,  
19 administer, and perform the district's duties under a  
20 gift, grant, loan, conveyance, transfer, bequest,  
21 donation, or other financial arrangement relating to  
22 the investigation, planning, analysis, acquisition,  
23 construction, completion, implementation, or  
24 operation of a proposed or existing improvement  
25 project;

26 . . .

27 Sec. 376.475. CONTRACTING AUTHORITY. (a) The  
28 district may contract with any person to carry out the  
29 purposes of this subchapter on terms and for the period  
30 the board determines.

31 (b) Any person, including any type of  
32 governmental entity, may contract with the district to  
33 carry out the purposes of this subchapter.

34 Revised Law

35 Sec. 3813.107. ANNEXATION OR EXCLUSION OF  
36 TERRITORY. (a) The district may add or exclude territory in the  
37 manner provided by Subchapter J, Chapter 49, Water Code.

38 (b) Not later than the 10th day after the date on which the  
39 district annexes or excludes territory, the board shall send to the  
40 comptroller a certified copy of any resolution, order, or ordinance  
41 relating to the annexation or exclusion. (Loc. Gov. Code, Secs.  
42 376.462(a) (part), 376.473, as added Acts 77th Leg., R.S., Ch.  
43 1371.)

44 Source Law

45 [Sec. 376.462]

46 (a) The district may:

1 . . .  
2 (3) add or exclude territory in the manner  
3 provided by Subchapter J, Chapter 49, Water Code;  
4 . . .

5 Sec. 376.473. SUBMISSION OF ANNEXATION  
6 INFORMATION. Not later than the 10th day after the  
7 date on which the district annexes or excludes  
8 territory, the board shall send to the comptroller a  
9 certified copy of any resolution, order, or ordinance  
10 relating to the annexation or exclusion.

11 Revised Law

12 Sec. 3813.108. EMINENT DOMAIN. The district may not  
13 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
14 376.465, as added Acts 77th Leg., R.S., Ch. 1371.)

15 Source Law

16 Sec. 376.465. NO EMINENT DOMAIN POWER. The  
17 district may not exercise the power of eminent domain.

18 Revised Law

19 Sec. 3813.109. PEACE OFFICERS. The district may not employ  
20 peace officers. (Loc. Gov. Code, Sec. 376.462(b), as added Acts  
21 77th Leg., R.S., Ch. 1371.)

22 Source Law

23 (b) The district may not employ peace officers.

24 [Sections 3813.110-3813.150 reserved for expansion]

25 SUBCHAPTER D. FINANCIAL PROVISIONS

26 Revised Law

27 Sec. 3813.151. SALES AND USE TAX; EXCISE TAX. (a) For  
28 purposes of this section:

29 (1) "Taxable items" includes all items subject to a  
30 sales and use tax that is imposed by Harris County.

31 (2) "Use," with respect to a taxable service, means  
32 the derivation in the district of a direct or indirect benefit from  
33 the service.

34 (b) The district may impose a sales and use tax if  
35 authorized by a majority vote at an election held for that purpose.

36 (c) If the district adopts a sales and use tax:

37 (1) the tax is imposed on the receipts from the sale at  
38 retail of taxable items in the district; and

39 (2) an excise tax is imposed on the use, storage, or

1 other consumption in the district of taxable items purchased or  
2 rented from a retailer during the period in which the sales and use  
3 tax is effective in the district.

4 (d) The rate of the excise tax is the same as the rate of the  
5 sales tax portion of the tax applied to the sales price of the  
6 taxable items and is included in the sales tax. (Loc. Gov. Code,  
7 Secs. 376.462(a) (part), 376.466(a), (b) (part), (c), (d), as added  
8 Acts 77th Leg., R.S., Ch. 1371.)

9 Source Law

10 Sec. 376.462. SPECIFIC POWERS AND  
11 LIMITATIONS. (a) The district may:

12 (1) impose and collect, and . . . a  
13 limited sales and use tax for the district's purposes;  
14 . . .

15 Sec. 376.466. SALES AND USE TAX; EXCISE  
16 TAX. (a) For purposes of this section:

17 (1) "Taxable items" includes all items  
18 subject to any sales and use tax that is imposed by the  
19 county if the county has imposed a sales and use tax.

20 (2) "Use," with respect to a taxable  
21 service, means the derivation in the district of a  
22 direct or indirect benefit from the service.

23 (b) The district may impose a sales and use  
24 tax . . . if authorized by a majority of the qualified  
25 voters of the district voting at an election called for  
26 that purpose.

27 (c) If the district adopts the tax:

28 (1) a tax is imposed on the receipts from  
29 the sale at retail of taxable items in the district;  
30 and

31 (2) an excise tax is imposed on the use,  
32 storage, or other consumption in the district of  
33 taxable items purchased or rented from a retailer  
34 during the period that the tax is effective in the  
35 district.

36 (d) The rate of the excise tax is the same as the  
37 rate of the sales tax portion of the tax applied to the  
38 sales price of the taxable items and is included in the  
39 sales tax.

40 Revisor's Note

41 (1) Section 376.462(a)(1), Local Government  
42 Code, as added by Chapter 1371, Acts of the 77th  
43 Legislature, Regular Session, 2001, authorizes the  
44 district to "impose and collect . . . a limited sales  
45 and use tax for the district's purposes." The revised  
46 law omits "collect" because under Section 376.468(a),  
47 Local Government Code, as added by Chapter 1371, Acts  
48 of the 77th Legislature, Regular Session, 2001

1 (revised as Section 3813.154(a) of this chapter),  
2 Chapter 323, Tax Code, governs the collection of the  
3 district sales and use tax. Section 323.301, Tax Code,  
4 provides that the comptroller collects the tax imposed  
5 under that chapter; by extension, the comptroller also  
6 collects the district sales and use tax.

7 (2) Section 376.466(b), Local Government Code,  
8 as added by Chapter 1371, Acts of the 77th Legislature,  
9 Regular Session, 2001, provides that the district may  
10 impose a sales and use tax if authorized by "a majority  
11 of the qualified voters of the district." The quoted  
12 language is unnecessary because Sections 11.001(1) and  
13 (2), Election Code, provide that to be eligible to vote  
14 in an election, a person must be a qualified voter as  
15 defined by Section 11.002, Election Code, and be a  
16 resident of the territory covered by the election.  
17 Accordingly, the revised law substitutes "majority  
18 vote" for the quoted language.

19 Revised Law

20 Sec. 3813.152. TAX ELECTION PROCEDURES. (a) The board  
21 may order an election to adopt, change the rate of, or abolish a  
22 sales and use tax. The election may be held at the same time and in  
23 conjunction with a directors' election.

24 (b) The election must be held on the next uniform election  
25 date that falls on or after the 45th day after the date the election  
26 order is adopted.

27 (c) Notice of the election shall be given and the election  
28 shall be held in the manner prescribed for a bond election by  
29 Subchapter D, Chapter 49, Water Code. (Loc. Gov. Code, Secs.  
30 376.467(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1371.)

31 Source Law

32 Sec. 376.467. TAX ELECTION PROCEDURES.  
33 (a) The board by order may call an election to adopt,  
34 change the rate of, or abolish a sales and use tax. The  
35 election may be held at the same time and in  
36 conjunction with a confirmation or directors election.

1 (b) The election must be held on the next  
2 uniform election date that falls on or after the 45th  
3 day after the date the order calling the election is  
4 adopted.

5 (c) Notice of the election shall be given and  
6 the election shall be held and conducted in the manner  
7 prescribed for bond elections under Subchapter D,  
8 Chapter 49, Water Code.

9 Revisor's Note

10 (1) Section 376.467(a), Local Government Code,  
11 as added by Chapter 1371, Acts of the 77th Legislature,  
12 Regular Session, 2001, provides that a sales and use  
13 tax election held by the district "may be held at the  
14 same time and in conjunction with a confirmation or  
15 directors election." The revised law omits the  
16 reference to a "confirmation election" because neither  
17 Subchapter K, Chapter 376, Local Government Code, as  
18 added by Chapter 1371, Acts of the 77th Legislature,  
19 Regular Session, 2001, or Chapter 375, Local  
20 Government Code, provides for a confirmation election  
21 in the district.

22 (2) Section 376.467(c), Local Government Code,  
23 as added by Chapter 1371, Acts of the 77th Legislature,  
24 Regular Session, 2001, refers to the manner in which a  
25 sales and use tax election in the district is to be  
26 "held and conducted." The revised law omits  
27 "conducted" because in this context the meaning of  
28 that word is included in the meaning of "held."

29 Revised Law

30 Sec. 3813.153. BALLOT WORDING. (a) In an election to  
31 adopt a sales and use tax, the ballot shall be prepared to permit  
32 voting for or against the proposition: "The adoption of a local  
33 sales and use tax in the Old Town Spring Improvement District at the  
34 rate of (proposed tax rate)."

35 (b) In an election to change the rate of the sales and use  
36 tax, the ballot shall be prepared to permit voting for or against  
37 the proposition: "The (increase or decrease, as applicable) in the  
38 rate of the local sales and use tax imposed in the Old Town Spring

1 Improvement District from (tax rate on election date) percent to  
2 (proposed tax rate) percent."

3 (c) In an election to abolish the sales and use tax, the  
4 ballot shall be prepared to permit voting for or against the  
5 proposition: "The abolition of the local sales and use tax in the  
6 Old Town Spring Improvement District." (Loc. Gov. Code, Secs.  
7 376.467(d), (e), (f), as added Acts 77th Leg., R.S., Ch. 1371.)

8 Source Law

9 (d) In an election to adopt the tax, the ballot  
10 shall be prepared to permit voting for or against the  
11 proposition: "The adoption of a local sales and use  
12 tax in the Old Town Spring Improvement District at the  
13 rate of (proposed tax rate)."

14 (e) In an election to change the rate of the tax,  
15 the ballot shall be prepared to permit voting for or  
16 against the proposition: "The (increase or decrease,  
17 as applicable) in the rate of the local sales and use  
18 tax imposed in the Old Town Spring Improvement  
19 District from (tax rate on election date) percent to  
20 (proposed tax rate) percent."

21 (f) In an election to abolish the tax, the  
22 ballot shall be prepared to permit voting for or  
23 against the proposition: "The abolition of the local  
24 sales and use tax in the Old Town Spring Improvement  
25 District."

26 Revised Law

27 Sec. 3813.154. IMPOSITION, COMPUTATION, ADMINISTRATION,  
28 AND GOVERNANCE OF TAXES. (a) Chapter 323, Tax Code, to the extent  
29 not inconsistent with this chapter, governs the application,  
30 collection, and administration of the sales and use tax and the  
31 excise tax, except that Sections 323.401-323.406 and 323.505, Tax  
32 Code, do not apply. Subtitles A and B, Title 2, and Chapter 151, Tax  
33 Code, govern the administration and enforcement of the sales and  
34 use tax and the excise tax.

35 (b) Chapter 323, Tax Code, does not apply to the use and  
36 allocation of revenues under this chapter.

37 (c) In applying Chapter 323, Tax Code:

38 (1) a reference in that chapter to "the county" means  
39 the district; and

40 (2) a reference in that chapter to "the commissioners  
41 court" means the board. (Loc. Gov. Code, Sec. 376.468, as added  
42 Acts 77th Leg., R.S., Ch. 1371.)



1 Source Law

2 [Sec. 376.462]

3 (a) The district may:

4 (1) . . . apply the proceeds from, a  
5 limited sales and use tax for the district's purposes;

6 . . .

7 [Sec. 376.466]

8 (b) [The district may impose] a sales and use  
9 tax for the benefit of the district . . . .

10 Sec. 376.472. USE OF TAX. Taxes collected  
11 under this subchapter may be used only for the purposes  
12 for which the district was created.

13 Revised Law

14 Sec. 3813.158. EFFECTIVE DATE OF TAX OR TAX CHANGE. The  
15 adoption of a tax rate or a change in the tax rate takes effect after  
16 the expiration of the first complete calendar quarter occurring  
17 after the date on which the comptroller receives a notice of the  
18 results of the election. (Loc. Gov. Code, Sec. 376.469, as added  
19 Acts 77th Leg., R.S., Ch. 1371.)

20 Source Law

21 Sec. 376.469. EFFECTIVE DATE OF TAX OR TAX  
22 CHANGE. The adoption of a tax rate or change in the  
23 tax rate takes effect after the expiration of the first  
24 complete calendar quarter occurring after the date on  
25 which the comptroller receives a notice of the results  
26 of the election.

27 Revised Law

28 Sec. 3813.159. AD VALOREM TAX PROHIBITED. The district may  
29 not impose an ad valorem tax on property in the district. (Loc.  
30 Gov. Code, Sec. 376.462(c), as added Acts 77th Leg., R.S., Ch.  
31 1371.)

32 Source Law

33 (c) The district may not impose an ad valorem  
34 tax on property in the district.

35 Revised Law

36 Sec. 3813.160. FEES; CHARGES. The district may:

37 (1) establish and collect user fees, concession fees,  
38 admission fees, rental fees, or other similar fees or charges; and

39 (2) apply the proceeds from those fees or charges for  
40 the enjoyment, sale, rental, or other use of the district's  
41 facilities, services, or improvement projects. (Loc. Gov. Code,

1 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

2 Source Law

3 (a) The district may:

4 . . .  
5 (6) establish and collect user fees,  
6 concession fees, admission fees, rental fees, or other  
7 similar fees or charges and apply the proceeds from  
8 those fees or charges for the enjoyment, sale, rental,  
9 or other use of the district's facilities, services, or  
10 improvement projects;  
11 . . .

12 Revised Law

13 Sec. 3813.161. BORROWING MONEY. The district may borrow  
14 money for the corporate purposes of the district. (Loc. Gov. Code,  
15 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

16 Source Law

17 (a) The district may:

18 . . .  
19 (2) borrow money for the corporate  
20 purposes of the district;  
21 . . .

22 Revised Law

23 Sec. 3813.162. PAYMENT OF EXPENSES. The district may  
24 provide or secure the payment or repayment of any district expense,  
25 including:

26 (1) a district cost relating to an improvement  
27 project;

28 (2) a district contractual obligation or  
29 indebtedness, because of a lease, installment purchase contract, or  
30 other agreement; or

31 (3) a tax, user fee, concession fee, rental fee, or  
32 other revenue or resources of the district. (Loc. Gov. Code, Sec.  
33 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

34 Source Law

35 (a) The district may:

36 . . .  
37 (8) provide or secure the payment or  
38 repayment of any district expense, including:  
39 (A) a district cost relating to an  
40 improvement project;  
41 (B) a district contractual  
42 obligation or indebtedness, because of a lease,  
43 installment purchase contract, or other agreement; or  
44 (C) a tax, user fee, concession fee,  
45 rental fee, or other revenue or resources of the

1 district; and  
2 . . .

3 Revised Law

4 Sec. 3813.163. BONDS. (a) The board may issue bonds as  
5 provided by Subchapter J, Chapter 375, Local Government Code.

6 (b) In addition to the sources described in Subchapter J,  
7 Chapter 375, Local Government Code, bonds issued by the district  
8 may be secured and made payable, in whole or in part, by a pledge of  
9 any part of the net proceeds the district receives from a specified  
10 portion of not more than one-half of the district's maximum sales  
11 and use tax amount authorized under Section 3813.152.

12 (c) Sections 375.207 and 375.208, Local Government Code, do  
13 not apply to bonds issued under this section. (Loc. Gov. Code, Sec.  
14 376.474, as added Acts 77th Leg., R.S., Ch. 1371.)

15 Source Law

16 Sec. 376.474. BONDS. (a) The board may issue  
17 bonds as provided by Subchapter J, Chapter 375.

18 (b) In addition to the sources described in  
19 Subchapter J, Chapter 375, the bonds issued by the  
20 district may be secured and made payable, wholly or  
21 partly, by a pledge of any part of the net proceeds the  
22 district receives from a specified portion of not more  
23 than one-half of the maximum sales and use tax amount  
24 authorized and approved by voters of the district  
25 under Section 376.467.

26 (c) Sections 375.207 and 375.208 do not apply to  
27 bonds issued under this section.

28 [Sections 3813.164-3813.200 reserved for expansion]

29 SUBCHAPTER E. DISSOLUTION

30 Revised Law

31 Sec. 3813.201. DISSOLUTION BY BOARD ORDER. The board by  
32 order may dissolve the district at any time unless the district has  
33 outstanding indebtedness or contractual obligations. (Loc. Gov.  
34 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1371.)

35 Source Law

36 Sec. 376.476. DISSOLUTION BY BOARD ORDER. The  
37 board by order may dissolve the district at any time  
38 unless the district has outstanding indebtedness or  
39 contractual obligations.

40 Revised Law

41 Sec. 3813.202. DISSOLUTION BY PETITION OF  
42 OWNERS. (a) The board by order shall dissolve the district if the

1 board receives a written petition signed by 75 percent or more of  
2 the individuals who own real property in the district.

3 (b) After the date the district is dissolved, the district  
4 may not impose taxes.

5 (c) If on the date the district is dissolved the district  
6 has outstanding liabilities, the board shall, not later than the  
7 30th day after the date of dissolution, adopt a resolution  
8 certifying each outstanding liability. Harris County shall assume  
9 the outstanding liabilities and shall collect the sales and use tax  
10 for the district for the remainder of the calendar year. Harris  
11 County may continue to collect the tax for an additional calendar  
12 year if the commissioners court of the county finds that the tax  
13 revenue is needed to retire the district liabilities that were  
14 assumed by the county.

15 (d) The district may continue to operate for a period not to  
16 exceed two months after performing its duties under Subsection (c).  
17 The district is continued in effect for the purpose of performing  
18 those duties.

19 (e) If the district is continued in effect under Subsection  
20 (d), the district is dissolved entirely on the first day of the  
21 month following the month in which the board certifies to the  
22 secretary of state that the district has fully performed its duties  
23 under Subsection (c). (Loc. Gov. Code, Sec. 376.477, as added Acts  
24 77th Leg., R.S., Ch. 1371.)

25 Source Law

26 Sec. 376.477. DISSOLUTION BY PETITION OF  
27 OWNERS. (a) The board by order shall dissolve the  
28 district if the board receives a written petition  
29 signed by 75 percent or more of the individuals who own  
30 real property in the district.

31 (b) After the date the district is dissolved,  
32 the district may not levy taxes.

33 (c) If on the date the district is dissolved the  
34 district has outstanding liabilities, the board shall,  
35 not later than the 30th day after the dissolution,  
36 adopt a resolution certifying each outstanding  
37 liability. The county shall assume the outstanding  
38 liabilities. The county shall collect the sales and  
39 use tax for the district for the remainder of the  
40 calendar year. The county may continue to collect the  
41 tax for an additional calendar year if the  
42 commissioners court finds that the tax revenue is

1 needed to retire the district liabilities that were  
2 assumed by the county.

3 (d) The district may continue to operate for a  
4 period not to exceed two months after carrying out the  
5 responsibilities required by Subsection (c). The  
6 district is continued in effect for the purpose of  
7 satisfying these responsibilities.

8 (e) If the district is continued in effect under  
9 Subsection (d), the district is dissolved entirely on  
10 the first day of the month following the month in which  
11 the board certifies to the secretary of state that the  
12 district has satisfied the responsibilities of  
13 Subsection (c).

14 Revised Law

15 Sec. 3813.203. ADMINISTRATION OF DISTRICT PROPERTY  
16 FOLLOWING DISSOLUTION. (a) After the date the board orders the  
17 dissolution of the district, the board shall transfer ownership of  
18 all district property to Harris County, except as provided by  
19 Subsection (b).

20 (b) If, on the date on which the board orders the  
21 dissolution, more than 50 percent of the district territory is in a  
22 municipality, the board shall transfer ownership of the district's  
23 property to the municipality. (Loc. Gov. Code, Sec. 376.478, as  
24 added Acts 77th Leg., R.S., Ch. 1371.)

25 Source Law

26 Sec. 376.478. ADMINISTRATION OF DISTRICT  
27 PROPERTY FOLLOWING DISSOLUTION. (a) After the board  
28 orders the dissolution of the district, the board  
29 shall transfer ownership of all district property to  
30 the county, except as provided by Subsection (b).

31 (b) If, on the date on which the board orders the  
32 dissolution, more than 50 percent of the district  
33 territory is in a municipality, the board shall  
34 transfer ownership of the district's property to the  
35 municipality.

36 CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

37 SUBCHAPTER A. GENERAL PROVISIONS

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1 CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 3814.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the board of directors of the  
6 district.

7 (2) "District" means the Energy Corridor Management  
8 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
9 77th Leg., R.S., Ch. 1376.)

10 Source Law

11 Sec. 376.453. DEFINITIONS. In this  
12 subchapter:

13 (1) "Board" means the board of directors  
14 of the district.

15 (3) "District" means the Energy Corridor  
16 Management District.

17 Revisor's Note

18 Sections 376.453(2) and (4), Local Government  
19 Code, as added by Chapter 1376, Acts of the 77th  
20 Legislature, Regular Session, 2001, respectively  
21 define "county" as Harris County and "municipality" as  
22 the City of Houston. The revised law omits the  
23 definitions for ease of understanding. Throughout  
24 this chapter, the revised law instead refers to Harris  
25 County and the City of Houston, unless the context  
26 clearly shows that the term "county" or "municipality"  
27 refers generally to any county or municipality. The  
28 omitted law reads:

29 (2) "County" means Harris  
30 County, Texas.

31 (4) "Municipality" means the  
32 City of Houston, Texas.

33 Revised Law

34 Sec. 3814.002. ENERGY CORRIDOR MANAGEMENT DISTRICT. The  
35 Energy Corridor Management District is a special district created  
36 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
37 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1376.)

1 Source Law

2 Sec. 376.451. CREATION OF DISTRICT. (a) The  
3 Energy Corridor Management District is created as a  
4 special district under Section 59, Article XVI, Texas  
5 Constitution.

6 Revisor's Note

7 Section 376.451(b), Local Government Code, as  
8 added by Chapter 1376, Acts of the 77th Legislature,  
9 Regular Session, 2001, states that the board may  
10 change the name of the district by resolution. The  
11 revised law omits the section because it duplicates  
12 Section 375.096(d), Local Government Code. Section  
13 376.457, Local Government Code, as added by Chapter  
14 1376, Acts of the 77th Legislature, Regular Session,  
15 2001 (revised in this chapter as Section 3814.006)  
16 provides that Chapter 375, Local Government Code,  
17 applies to the district. Therefore, it is not  
18 necessary to revise statutes that duplicate provisions  
19 in that chapter. The omitted law reads:

20 (b) The board by resolution may  
21 change the district's name.

22 Revised Law

23 Sec. 3814.003. PURPOSE; DECLARATION OF INTENT. (a) The  
24 creation of the district is essential to accomplish the purposes of  
25 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
26 Texas Constitution, and other public purposes stated in this  
27 chapter.

28 (b) The creation of the district is necessary to promote,  
29 develop, encourage, and maintain employment, commerce,  
30 transportation, housing, tourism, recreation, the arts,  
31 entertainment, economic development, safety, and the public  
32 welfare in the area of the district.

33 (c) This chapter and the creation of the district may not be  
34 interpreted to relieve Harris County or the City of Houston from  
35 providing the level of services provided, as of June 16, 2001, to  
36 the area in the district. The district is created to supplement and

1 not to supplant the county or city services provided in the area in  
2 the district. (Loc. Gov. Code, Sec. 376.452, as added Acts 77th  
3 Leg., R.S., Ch. 1376.)

4 Source Law

5 Sec. 376.452. DECLARATION OF INTENT. (a) The  
6 creation of the district is necessary to promote,  
7 develop, encourage, and maintain employment,  
8 commerce, transportation, housing, tourism,  
9 recreation, arts, entertainment, economic  
10 development, safety, and the public welfare in the  
11 area of the district.

12 (b) The creation of the district and this  
13 legislation are not to be interpreted to relieve the  
14 county or the municipality from providing the level of  
15 services, as of the effective date of this subchapter,  
16 each entity has to provide to the area in the district.  
17 The district is created to supplement and not supplant  
18 the county or municipal services provided in the area  
19 in the district.

20 (c) The creation of the district is essential to  
21 accomplish the purposes of Sections 52 and 52-a,  
22 Article III, and Section 59, Article XVI, Texas  
23 Constitution, and other public purposes stated in this  
24 subchapter.

25 Revisor's Note

26 Section 376.452(b), Local Government Code, as  
27 added by Chapter 1376, Acts of the 77th Legislature,  
28 Regular Session, 2001, refers to "the effective date  
29 of this subchapter." That section is a part of  
30 Subchapter K, Chapter 376, Local Government Code, as  
31 added by Chapter 1376, Acts of the 77th Legislature,  
32 Regular Session, 2001. The revised law substitutes  
33 "June 16, 2001," for the quoted language because that  
34 is the date on which that subchapter took effect.

35 Revised Law

36 Sec. 3814.004. FINDINGS OF BENEFIT AND PUBLIC  
37 PURPOSE. (a) The district is created to serve a public use and  
38 benefit.

39 (b) All land and other property included in the district  
40 will benefit from the improvements and services to be provided by  
41 the district under powers conferred by Sections 52 and 52-a,  
42 Article III, and Section 59, Article XVI, Texas Constitution, and  
43 other powers granted under this chapter.

1 (c) The creation of the district is in the public interest  
2 and is essential to:

3 (1) further the public purposes of developing and  
4 diversifying the economy of the state;

5 (2) eliminate unemployment and underemployment; and

6 (3) develop or expand transportation and commerce.

7 (d) The district will:

8 (1) promote the health, safety, and general welfare of  
9 residents, employers, employees, visitors, and consumers in the  
10 district, and of the public;

11 (2) provide needed funding to preserve, maintain, and  
12 enhance the economic health and vitality of the district as a  
13 community and business center; and

14 (3) promote the health, safety, welfare, and enjoyment  
15 of the public by providing pedestrian ways and by landscaping and  
16 developing certain areas in the district, which are necessary for  
17 the restoration, preservation, and enhancement of scenic beauty.

18 (e) Pedestrian ways along or across a street, whether at  
19 grade or above or below the surface, and street lighting, street  
20 landscaping, and street art objects are parts of and necessary  
21 components of a street and are considered to be a street or road  
22 improvement.

23 (f) The district will not act as the agent or  
24 instrumentality of any private interest even though the district  
25 will benefit many private interests as well as the public. (Loc.  
26 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1376.)

27 Source Law

28 Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC  
29 PURPOSE. (a) The district is created to serve a  
30 public use and benefit. All the land and other  
31 property included in the district will be benefited by  
32 the improvements and services to be provided by the  
33 district under powers conferred by Sections 52 and  
34 52-a, Article III, and Section 59, Article XVI, Texas  
35 Constitution, and other powers granted under this  
36 subchapter.

37 (b) The creation of the district is in the  
38 public interest and is essential to:

39 (1) further the public purposes of the  
40 development and diversification of the economy of the

1 state; and  
2 (2) eliminate unemployment and  
3 underemployment and develop or expand transportation  
4 and commerce.

5 (c) The district will:

6 (1) promote the health, safety, and  
7 general welfare of residents, employers, employees,  
8 visitors, consumers in the district, and the general  
9 public;

10 (2) provide needed funding to preserve,  
11 maintain, and enhance the economic health and vitality  
12 of the district as a community and business center; and

13 (3) further promote the health, safety,  
14 welfare, and enjoyment of the public by providing  
15 pedestrian ways and by landscaping and developing  
16 certain areas in the district, which are necessary for  
17 the restoration, preservation, and enhancement of  
18 scenic beauty.

19 (d) Pedestrian ways along or across a street,  
20 whether at grade or above or below the surface, and  
21 street lighting, street landscaping, and street art  
22 objects are parts of and necessary components of a  
23 street and are considered to be a street or road  
24 improvement.

25 (e) The district will not act as the agent or  
26 instrumentality of any private interest even though  
27 many private interests will be benefited by the  
28 district, as will the general public.

29 Revised Law

30 Sec. 3814.005. DISTRICT TERRITORY. (a) The district is  
31 composed of the territory described by Chapter 1376, Acts of the  
32 77th Legislature, Regular Session, 2001, enacting former Section  
33 376.454, Local Government Code, as that territory may have been  
34 modified under:

35 (1) Subchapter J, Chapter 49, Water Code; or

36 (2) other law.

37 (b) The boundaries and field notes of the district contained  
38 in Chapter 1376, Acts of the 77th Legislature, Regular Session,  
39 2001, enacting former Section 376.454, Local Government Code, form  
40 a closure. A mistake in the field notes or in copying the field  
41 notes in the legislative process does not affect the district's:

42 (1) organization, existence, or validity;

43 (2) right to issue any type of bond for a purpose for  
44 which the district is created or to pay the principal of and  
45 interest on a bond;

46 (3) right to impose or collect an assessment or tax; or

47 (4) legality or operation. (Loc. Gov. Code, Sec.  
48 376.455, as added Acts 77th Leg., R.S., Ch. 1376; New.)

1 Source Law

2 Sec. 376.455. FINDINGS RELATING TO  
3 BOUNDARIES. The boundaries and field notes of the  
4 district form a closure. If a mistake is made in the  
5 field notes or in copying the field notes in the  
6 legislative process, the mistake does not affect the  
7 district's:

- 8 (1) organization, existence, or validity;  
9 (2) right to issue any type of bond for the  
10 purposes for which the district is created or to pay  
11 the principal of and interest on a bond;  
12 (3) right to impose or collect an  
13 assessment or tax; or  
14 (4) legality or operation.

15 Revisor's Note

16 The revision of the law governing the Energy  
17 Corridor Management District does not revise the  
18 statutory language describing the territory of the  
19 district to avoid the lengthy recitation of the  
20 description and because that description may not be  
21 accurate on the effective date of the revision or at  
22 the time of a later reading. For the reader's  
23 convenience, the revised law includes a reference to  
24 the statutory description of the district's territory  
25 and a reference to statutory authority to change the  
26 district's territory under Subchapter J, Chapter 49,  
27 Water Code, applicable to the district under Section  
28 49.001 of that chapter. The revised law also includes  
29 a reference to the general authority of the  
30 legislature to enact other laws to change the  
31 district's territory.

32 Revised Law

33 Sec. 3814.006. APPLICABILITY OF OTHER LAW. Except as  
34 otherwise provided by this chapter, Chapter 375, Local Government  
35 Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as  
36 added Acts 77th Leg., R.S., Ch. 1376.)

37 Source Law

38 Sec. 376.457. APPLICATION OF OTHER LAW. Except  
39 as otherwise provided by this subchapter, Chapter 375  
40 applies to the district.

1 Revised Law

2 Sec. 3814.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
3 chapter shall be liberally construed in conformity with the  
4 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
5 376.458, as added Acts 77th Leg., R.S., Ch. 1376.)

6 Source Law

7 Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This  
8 subchapter shall be liberally construed in conformity  
9 with the findings and purposes stated in this  
10 subchapter.

11 [Sections 3814.008-3814.050 reserved for expansion]

12 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

13 Revised Law

14 Sec. 3814.051. BOARD OF DIRECTORS. The district is  
15 governed by a board of:

16 (1) nine voting directors appointed under Section  
17 3814.052; and

18 (2) nonvoting directors as provided by Section  
19 3814.053. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th  
20 Leg., R.S., Ch. 1376.)

21 Source Law

22 Sec. 376.459. BOARD OF DIRECTORS IN  
23 GENERAL. (a) The district is governed by a board of  
24 nine voting directors appointed under Section 376.460  
25 and nonvoting directors as provided by Section  
26 376.461.

27 Revised Law

28 Sec. 3814.052. APPOINTMENT OF VOTING DIRECTORS. (a) The  
29 mayor and members of the governing body of the City of Houston shall  
30 appoint voting directors from persons recommended by the board. A  
31 person is appointed if a majority of the members and the mayor vote  
32 to appoint that person.

33 (b) A person may not be appointed to the board if the  
34 appointment of that person would result in fewer than two-thirds of  
35 the directors residing in the City of Houston. (Loc. Gov. Code,  
36 Sec. 376.460, as added Acts 77th Leg., R.S., Ch. 1376.)

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Source Law

Sec. 376.460. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the municipality shall appoint voting directors from persons recommended by the board. A person is appointed if a majority of the directors and the mayor vote to appoint that person.

(b) A person may not be appointed to the board if the appointment of that person would result in less than two-thirds of the directors residing in the municipality.

Revisor's Note

Section 376.460(a), Local Government Code, as added by Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, provides for the appointment of the board of directors by the mayor and members of the governing body of the City of Houston. Section 376.460(a) provides that a director is appointed if "a majority of the directors and the mayor" vote to appoint the person. The revised law substitutes "members" for "directors" because the "members" of the governing body are the appointing authority.

Revised Law

Sec. 3814.053. NONVOTING DIRECTORS. (a) The following persons serve as nonvoting directors:

- (1) the directors of the parks and recreation, planning and development, public works, and civic center departments of the City of Houston;
- (2) the chief of police of the City of Houston;
- (3) the director of the engineering division of the Harris County department of public infrastructure;
- (4) Harris County's general manager of the Metropolitan Transit Authority of Harris County, Texas;
- (5) the president of each institution of higher learning located in the district; and
- (6) the Houston district engineer for the Texas Department of Transportation.

(b) If an agency, department, or division described by Subsection (a) is consolidated, renamed, or changed, the board may

1 appoint a director of the consolidated, renamed, or changed agency,  
2 department, or division as a nonvoting director. If an agency,  
3 department, or division described by Subsection (a) is abolished,  
4 the board may appoint a representative of another agency,  
5 department, or division that performs duties comparable to those  
6 performed by the abolished entity. (Loc. Gov. Code, Sec. 376.461,  
7 as added Acts 77th Leg., R.S., Ch. 1376.)

8 Source Law

9 Sec. 376.461. NONVOTING DIRECTORS. (a) The  
10 following persons shall serve as nonvoting directors:

11 (1) the director of the following  
12 departments of the municipality:

- 13 (A) parks and recreation;
- 14 (B) planning and development;
- 15 (C) public works; and
- 16 (D) civic center;

17 (2) the municipality's chief of police;

18 (3) the director of the engineering  
19 division of the county department of public  
20 infrastructure;

21 (4) the Houston district engineer for the  
22 Texas Department of Transportation;

23 (5) the county's general manager of the  
24 Metropolitan Transit Authority; and

25 (6) the presidents of any institutions of  
26 higher learning located in the district.

27 (b) If an agency, department, or division  
28 described by Subsection (a) is consolidated, renamed,  
29 or changed, the board may appoint a director of the  
30 consolidated, renamed, or changed agency, department,  
31 or division as a nonvoting director. If an agency,  
32 department, or division described by Subsection (a) is  
33 abolished, the board may appoint a representative of  
34 another agency, department, or division that performs  
35 duties comparable to those performed by the abolished  
36 entity.

37 Revised Law

38 Sec. 3814.054. TERMS. The voting directors serve  
39 staggered terms of four years, with four directors' terms expiring  
40 June 1 of an odd-numbered year and five directors' terms expiring  
41 June 1 of the following odd-numbered year. (Loc. Gov. Code, Sec.  
42 376.459(b), as added Acts 77th Leg., R.S., Ch. 1376.)

43 Source Law

44 (b) Voting directors serve staggered terms of  
45 four years, with four directors' terms expiring June 1  
46 of an odd-numbered year and five directors' terms  
47 expiring June 1 of the following odd-numbered year.

48 Revised Law

49 Sec. 3814.055. COMPENSATION. A voting director may

1 receive compensation as provided by Section 49.060, Water Code.  
2 (Loc. Gov. Code, Sec. 376.459(c), as added Acts 77th Leg., R.S., Ch.  
3 1376.)

4 Source Law

5 (c) A voting director may receive compensation  
6 as provided by Section 49.060, Water Code.

7 Revised Law

8 Sec. 3814.056. CONFLICTS OF INTEREST. (a) Except as  
9 provided by this section:

10 (1) a director may participate in all board votes and  
11 decisions; and

12 (2) Chapter 171, Local Government Code, governs  
13 conflicts of interest for directors.

14 (b) Section 171.004, Local Government Code, does not apply  
15 to the district. A director who has a substantial interest in a  
16 business or charitable entity that will receive a pecuniary benefit  
17 from a board action shall file an affidavit with the board secretary  
18 declaring the interest. Another affidavit is not required if the  
19 director's interest changes.

20 (c) After the affidavit is filed, the director may  
21 participate in a discussion or vote on that action if:

22 (1) a majority of the directors have a similar  
23 interest in the same entity; or

24 (2) all other similar business or charitable entities  
25 in the district will receive a similar pecuniary benefit.

26 (d) A director who is also an officer or employee of a public  
27 entity may not participate in a discussion of or vote on a matter  
28 regarding a contract with that same public entity.

29 (e) For purposes of this section, a director has a  
30 substantial interest in a charitable entity in the same manner that  
31 a person would have a substantial interest in a business entity  
32 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
33 Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1376.)

1 Source Law

2 Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME  
3 AFFIDAVIT. (a) Except as provided by this section:

4 (1) a director may participate in all  
5 board votes and decisions; and

6 (2) Chapter 171 governs conflicts of  
7 interest for board members.

8 (b) Section 171.004 does not apply to the  
9 district. A director who has a substantial interest in  
10 a business or charitable entity that will receive a  
11 pecuniary benefit from a board action shall file a  
12 one-time affidavit declaring the interest. An  
13 additional affidavit is not required if the director's  
14 interest changes. After the affidavit is filed with  
15 the board secretary, the director may participate in a  
16 discussion or vote on that action if:

17 (1) a majority of the directors have a  
18 similar interest in the same entity; or

19 (2) all other similar business or  
20 charitable entities in the district will receive a  
21 similar pecuniary benefit.

22 (c) A director who is also an officer or  
23 employee of a public entity may not participate in the  
24 discussion of or vote on a matter regarding a contract  
25 with that same public entity.

26 (d) For purposes of this section, a director has  
27 a substantial interest in a charitable entity in the  
28 same manner that a person would have a substantial  
29 interest in a business entity under Section 171.002.

30 Revised Law

31 Sec. 3814.057. INITIAL DIRECTORS. (a) The initial board  
32 consists of the following persons:

33 Pos. No. Name of Director

34 1 Robert Becker

35 2 Tom Blackwell

36 3 Lynn Grafing

37 4 Rick Rice

38 5 David W. Hightower

39 6 Mike Turner

40 7 Ned Holmes

41 8 Roger H. Hord

42 9 Cathy Wining

43 (b) The terms of the initial directors appointed for  
44 positions 1 through 5 expire June 1, 2005, and the terms of the  
45 initial directors appointed for positions 6 through 9 expire June  
46 1, 2003.

47 (c) Section 3814.052 does not apply to this section.

48 (d) This section expires September 1, 2006. (Loc. Gov.

1 Code, Sec. 376.477, as added Acts 77th Leg., R.S., Ch. 1376.)

2 Source Law

3 Sec. 376.477. INITIAL DIRECTORS. (a) The  
4 initial board consists of the following persons:

5	Pos. No.	Name of Director
6	1	Robert Becker
7	2	Tom Blackwell
8	3	Lynn Grafing
9	4	Rick Rice
10	5	David W. Hightower
11	6	Mike Turner
12	7	Ned Holmes
13	8	Roger H. Hord
14	9	Cathy Wining

15 (b) Of the initial directors, the terms of  
16 directors appointed for positions 1 through 5 expire  
17 on June 1, 2005, and the terms of directors appointed  
18 for positions 6 through 9 expire on June 1, 2003.

19 (c) Section 376.460 does not apply to this  
20 section.

21 (d) This section expires September 1, 2006.

22 [Sections 3814.058-3814.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Revised Law

25 Sec. 3814.101. ADDITIONAL POWERS OF DISTRICT. The  
26 district may exercise the powers given to:

27 (1) a corporation created under Section 4B,  
28 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
29 Civil Statutes); and

30 (2) a housing finance corporation created under  
31 Chapter 394, Local Government Code, to provide housing or  
32 residential development projects in the district. (Loc. Gov. Code,  
33 Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1376.)

34 Source Law

35 Sec. 376.464. ADDITIONAL POWERS OF  
36 DISTRICT. (a) The district may exercise the powers  
37 given to a corporation created under Section 4B,  
38 Development Corporation Act of 1979 (Article 5190.6,  
39 Vernon's Texas Civil Statutes).

40 (b) The district may exercise the powers given  
41 to a housing finance corporation created under Chapter  
42 394 to provide housing or residential development  
43 projects in the district.

44 Revised Law

45 Sec. 3814.102. NONPROFIT CORPORATION. (a) The board by  
46 resolution may authorize the creation of a nonprofit corporation to  
47 assist and act for the district in implementing a project or

1 providing a service authorized by this chapter.

2 (b) The nonprofit corporation:

3 (1) has each power of and is considered for purposes of  
4 this chapter to be a local government corporation created under  
5 Chapter 431, Transportation Code; and

6 (2) may implement any project and provide any service  
7 authorized by this chapter.

8 (c) The board shall appoint the board of directors of the  
9 nonprofit corporation. The board of directors of the nonprofit  
10 corporation shall serve in the same manner as the board of directors  
11 of a local government corporation created under Chapter 431,  
12 Transportation Code. (Loc. Gov. Code, Sec. 376.466, as added Acts  
13 77th Leg., R.S., Ch. 1376.)

14 Source Law

15 Sec. 376.466. NONPROFIT CORPORATION. (a) The  
16 board by resolution may authorize the creation of a  
17 nonprofit corporation to assist and act on behalf of  
18 the district in implementing a project or providing a  
19 service authorized by this subchapter.

20 (b) The board shall appoint the board of  
21 directors of a nonprofit corporation created under  
22 this section. The board of directors of the nonprofit  
23 corporation shall serve in the same manner as a board  
24 of directors of a local government corporation created  
25 under Chapter 431, Transportation Code.

26 (c) A nonprofit corporation created under this  
27 section has the powers of and is considered for  
28 purposes of this subchapter to be a local government  
29 corporation created under Chapter 431, Transportation  
30 Code.

31 (d) A nonprofit corporation created under this  
32 section may implement any project and provide any  
33 service authorized by this subchapter.

34 Revised Law

35 Sec. 3814.103. AGREEMENTS; GRANTS. (a) The district may  
36 make an agreement with or accept a gift, grant, or loan from any  
37 person.

38 (b) The implementation of a project is a governmental  
39 function or service for the purposes of Chapter 791, Government  
40 Code. (Loc. Gov. Code, Secs. 376.465(a), (b), as added Acts 77th  
41 Leg., R.S., Ch. 1376.)

42 Source Law

43 Sec. 376.465. AGREEMENTS: GENERAL; GIFTS,

1 INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES.  
2 (a) The district may make an agreement with or accept  
3 a gift, grant, or loan from any person.

4 (b) The implementation of a project is a  
5 governmental function or service for the purposes of  
6 Chapter 791, Government Code.

7 Revised Law

8 Sec. 3814.104. AUTHORITY TO CONTRACT FOR LAW  
9 ENFORCEMENT. To protect the public interest, the district may  
10 contract with Harris County or the City of Houston to provide law  
11 enforcement services in the district for a fee. (Loc. Gov. Code,  
12 Sec. 376.465(c), as added Acts 77th Leg., R.S., Ch. 1376.)

13 Source Law

14 (c) To protect the public interest, the district  
15 may contract with the municipality or the county to  
16 provide law enforcement services in the district for a  
17 fee.

18 Revised Law

19 Sec. 3814.105. COMPETITIVE BIDDING. Section 375.221,  
20 Local Government Code, applies to the district only for a contract  
21 that has a value of more than \$25,000. (Loc. Gov. Code, Sec.  
22 376.475, as added Acts 77th Leg., R.S., Ch. 1376.)

23 Source Law

24 Sec. 376.475. COMPETITIVE BIDDING LIMIT.  
25 Section 375.221 applies to the district only for a  
26 contract with a value greater than \$25,000.

27 Revised Law

28 Sec. 3814.106. APPROVAL BY CITY OF HOUSTON. (a) Except as  
29 provided by Subsection (b), the district must obtain approval from  
30 the City of Houston's governing body:

31 (1) for the issuance of bonds for each improvement  
32 project;

33 (2) of the plans and specifications of the improvement  
34 project financed by the bond; and

35 (3) of the plans and specifications of an improvement  
36 project related to:

37 (A) the use of land owned by the City of Houston;

38 (B) an easement granted by the City of Houston;

39 or

1 (C) a right-of-way of a street, road, or highway.

2 (b) If the district obtains the approval of the City of  
3 Houston's governing body of a capital improvements budget for a  
4 period not to exceed five years, the district may finance the  
5 capital improvements and issue bonds specified in the budget  
6 without further approval from the City of Houston. (Loc. Gov. Code,  
7 Secs. 376.473(a), (b), as added Acts 77th Leg., R.S., Ch. 1376.)

8 Source Law

9 Sec. 376.473. MUNICIPAL APPROVAL. (a) Except  
10 as provided by Subsection (b), the district must  
11 obtain approval from the municipality's governing body  
12 of:

13 (1) the issuance of bonds for an  
14 improvement project;

15 (2) the plans and specifications of an  
16 improvement project financed by the bonds; and

17 (3) the plans and specifications of a  
18 district improvement project related to:

19 (A) the use of land owned by the  
20 municipality;

21 (B) an easement granted by the  
22 municipality; or

23 (C) a right-of-way of a street, road,  
24 or highway.

25 (b) If the district obtains approval from the  
26 municipality's governing body of a capital  
27 improvements budget for a period not to exceed five  
28 years, the district may finance the capital  
29 improvements and issue bonds specified in the budget  
30 without further approval from the municipality.

31 Revised Law

32 Sec. 3814.107. ELECTRONIC TRANSMISSIONS. (a) The  
33 district may acquire, operate, or charge fees for the use of  
34 district conduits for:

35 (1) another person's:

36 (A) telecommunications network;

37 (B) fiber-optic cable; or

38 (C) electronic transmission line; or

39 (2) any other type of transmission line or supporting  
40 facility.

41 (b) The district may not require a person to use a district  
42 conduit. (Loc. Gov. Code, Sec. 376.463, as added Acts 77th Leg.,  
43 R.S., Ch. 1376.)

1 Source Law

2 Sec. 376.463. ELECTRONIC TRANSMISSIONS. (a)  
3 The district may acquire, operate, or charge fees for  
4 the use of district conduits for:

5 (1) another person's:

6 (A) telecommunications network;

7 (B) fiber-optic cable; or

8 (C) electronic transmission line; or

9 (2) any other types of transmission line  
10 or supporting facility.

11 (b) The district may not require a person to use  
12 a district conduit.

13 [Sections 3814.108-3814.150 reserved for expansion]

14 SUBCHAPTER D. FINANCIAL PROVISIONS

15 Revised Law

16 Sec. 3814.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
17 IMPROVEMENTS. (a) The board may not finance a service or an  
18 improvement project under this chapter unless a written petition  
19 requesting that service or improvement is filed with the board.

20 (b) The petition must be signed by:

21 (1) the owners of a majority of the assessed value of  
22 real property in the district according to the most recent  
23 certified tax appraisal roll for Harris County; or

24 (2) at least 25 owners of land in the district, if more  
25 than 25 persons own property in the district according to the most  
26 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
27 Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1376.)

28 Source Law

29 Sec. 376.467. REQUIREMENTS FOR FINANCING  
30 SERVICES AND IMPROVEMENTS. The board may not finance  
31 a service or improvement project under this subchapter  
32 unless a written petition requesting the improvement  
33 or service has been filed with the board. The petition  
34 must be signed by:

35 (1) the owners of a majority of the  
36 assessed value of real property in the district as  
37 determined by the most recent certified county  
38 property tax rolls; or

39 (2) at least 25 persons who own land in the  
40 district, if there are more than 25 persons who own  
41 property in the district as determined by the most  
42 recent certified county property tax rolls.

43 Revisor's Note

44 Section 376.467, Local Government Code, as added  
45 by Chapter 1376, Acts of the 77th Legislature, Regular  
46 Session, 2001, refers to "the most recent certified

1 [Harris] county property tax rolls." The revised law  
2 substitutes a reference to "the most recent certified  
3 tax appraisal roll for Harris County" to conform to the  
4 terminology of Title 1, Tax Code, including Section  
5 26.01 of that code, requiring the chief appraiser of an  
6 appraisal district to certify to the tax assessor of  
7 each taxing unit that has property in the appraisal  
8 district an appraisal roll that lists the properties  
9 taxable by that taxing unit and the value of those  
10 properties.

11 Revised Law

12 Sec. 3814.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
13 board by resolution shall establish the number of directors'  
14 signatures and the procedure required for a disbursement or  
15 transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as  
16 added Acts 77th Leg., R.S., Ch. 1376.)

17 Source Law

18 Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF  
19 FUNDS. The board by resolution shall establish the  
20 number of directors' signatures and the procedure  
21 required for a disbursement or transfer of the  
22 district's money.

23 Revised Law

24 Sec. 3814.153. MAINTENANCE TAX. (a) If authorized at an  
25 election held in accordance with Section 3814.158, the district may  
26 impose an annual ad valorem tax on taxable property in the district  
27 to:

28 (1) maintain and operate the district and the  
29 improvements constructed or acquired by the district; or

30 (2) provide a service.

31 (b) The board shall determine the tax rate. (Loc. Gov.  
32 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1376.)

33 Source Law

34 Sec. 376.469. MAINTENANCE TAX. (a) If  
35 authorized at an election held in accordance with  
36 Section 376.468, the district may impose and collect  
37 an annual ad valorem tax on taxable property in the  
38 district for the maintenance and operation of the

1 district and the improvements constructed or acquired  
2 by the district or for the provision of services.

3 (b) The board shall determine the tax rate.

4 Revisor's Note

5 Section 376.469(a), Local Government Code,  
6 provides that the district may "impose and collect" an  
7 ad valorem tax. The revised law omits "and collect"  
8 because "impose" is the term generally used in Title 1,  
9 Tax Code, and includes the collection of an ad valorem  
10 tax.

11 Revised Law

12 Sec. 3814.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
13 The board by resolution may impose and collect an assessment for any  
14 purpose authorized by this chapter.

15 (b) An assessment, a reassessment, or an assessment  
16 resulting from an addition to or correction of the assessment roll  
17 by the district, penalties and interest on an assessment or  
18 reassessment, an expense of collection, and reasonable attorney's  
19 fees incurred by the district:

20 (1) are a first and prior lien against the property  
21 assessed;

22 (2) are superior to any other lien or claim other than  
23 a lien or claim for county, school district, or municipal ad valorem  
24 taxes; and

25 (3) are the personal liability of and a charge against  
26 the owners of the property even if the owners are not named in the  
27 assessment proceeding.

28 (c) The lien is effective from the date of the board's  
29 resolution imposing the assessment until the date the assessment is  
30 paid. The board may enforce the lien in the same manner that the  
31 board may enforce an ad valorem tax lien against real property.  
32 (Loc. Gov. Code, Sec. 376.470, as added Acts 77th Leg., R.S., Ch.  
33 1376.)

34 Source Law

35 Sec. 376.470. ASSESSMENTS. (a) The board may  
36 impose and collect an assessment for any purpose

1 authorized by this subchapter.

2 (b) Assessments, including assessments  
3 resulting from an addition to or correction of the  
4 assessment roll by the district, reassessments,  
5 penalties and interest on an assessment or  
6 reassessment, expenses of collection, and reasonable  
7 attorney's fees incurred by the district:

8 (1) are a first and prior lien against the  
9 property assessed;

10 (2) are superior to any other lien or claim  
11 other than a lien or claim for county, school district,  
12 or municipal ad valorem taxes; and

13 (3) are the personal liability of and  
14 charge against the owners of the property even if the  
15 owners are not named in the assessment proceedings.

16 (c) The lien is effective from the date of the  
17 resolution of the board imposing the assessment until  
18 the assessment is paid. The board may enforce the lien  
19 in the same manner that the board may enforce an ad  
20 valorem tax lien against real property.

21 Revised Law

22 Sec. 3814.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
23 ASSESSMENTS. The district may not impose an impact fee or  
24 assessment on the property, including the equipment,  
25 rights-of-way, facilities, or improvements, of:

26 (1) an electric utility or a power generation company  
27 as defined by Section 31.002, Utilities Code;

28 (2) a gas utility as defined by Section 101.003 or  
29 121.001, Utilities Code; or

30 (3) a person that provides to the public cable  
31 television or advanced services. (Loc. Gov. Code, Sec. 376.471, as  
32 added Acts 77th Leg., R.S., Ch. 1376.)

33 Source Law

34 Sec. 376.471. UTILITIES. The district may not  
35 impose an impact fee or assessment on the property,  
36 equipment, rights-of-way, facilities, or improvements  
37 of an electric utility or a power generation company as  
38 defined by Section 31.002, Utilities Code, of a gas  
39 utility as defined by Section 101.003 or 121.001,  
40 Utilities Code, or of a person that provides to the  
41 public cable television or advanced services.

42 Revised Law

43 Sec. 3814.156. OBLIGATIONS. (a) The district may issue  
44 bonds or other obligations payable in whole or in part from ad  
45 valorem taxes, assessments, impact fees, revenue, grants, or other  
46 money of the district, or any combination of those sources of money,  
47 to pay for any authorized purpose of the district.

1 (b) In exercising the district's borrowing power, the  
2 district may issue a bond or other obligation in the form of a bond,  
3 note, certificate of participation or other instrument evidencing a  
4 proportionate interest in payments to be made by the district, or  
5 other type of obligation. (Loc. Gov. Code, Sec. 376.472, as added  
6 Acts 77th Leg., R.S., Ch. 1376.)

7 Source Law

8 Sec. 376.472. BONDS. (a) The district may  
9 issue bonds or other obligations payable in whole or in  
10 part from ad valorem taxes, assessments, impact fees,  
11 revenues, grants, or other money of the district, or  
12 any combination of those sources of money, to pay for  
13 any authorized purpose of the district.

14 (b) Bonds or other obligations of the district  
15 may be issued in the form of bonds, notes, certificates  
16 of participation, including other instruments  
17 evidencing a proportionate interest in payments to be  
18 made by the district, or other obligations that are  
19 issued in the exercise of the district's borrowing  
20 power and may be issued in bearer or registered form or  
21 not represented by an instrument but the transfer of  
22 which is registered on books maintained by or on behalf  
23 of the district.

24 Revisor's Note

25 Section 376.472(b), Local Government Code, as  
26 added by Chapter 1376, Acts of the 77th Legislature,  
27 Regular Session, 2001, states that obligations "may be  
28 issued in bearer or registered form or not represented  
29 by an instrument but the transfer of which is  
30 registered on books maintained by or on behalf of the  
31 district." The revised law omits the quoted language  
32 as unnecessary because it duplicates Sections  
33 1201.022(a)(2) and 1201.023, Government Code. Section  
34 1201.022(a)(2) permits bearer or registered form.  
35 Section 1201.023 permits uncertificated book entry.  
36 Those sections apply to obligations issued under  
37 Section 376.472, Local Government Code, by application  
38 of Section 1201.002, Government Code.

39 Revised Law

40 Sec. 3814.157. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
41 OBLIGATIONS. Except as provided by Section 375.263, Local

1 Government Code, a municipality is not required to pay a bond, note,  
2 or other obligation of the district. (Loc. Gov. Code, Sec.  
3 376.473(c), as added Acts 77th Leg., R.S., Ch. 1376.)

4 Source Law

5 (c) Except as provided by Section 375.263, a  
6 municipality is not obligated to pay any bonds, notes,  
7 or other obligations of the district.

8 Revised Law

9 Sec. 3814.158. ELECTIONS REGARDING TAXES OR  
10 BONDS. (a) In addition to the elections required under  
11 Subchapter L, Chapter 375, Local Government Code, the district must  
12 hold an election in the manner provided by that subchapter to obtain  
13 voter approval before the district may:

14 (1) impose a maintenance tax; or

15 (2) issue a bond payable from ad valorem taxes or  
16 assessments.

17 (b) The board may include more than one purpose in a single  
18 proposition at an election. (Loc. Gov. Code, Sec. 376.468, as added  
19 Acts 77th Leg., R.S., Ch. 1376.)

20 Source Law

21 Sec. 376.468. ELECTIONS. (a) In addition to  
22 the elections the district must hold under Subchapter  
23 L, Chapter 375, the district shall hold an election in  
24 the manner provided by that subchapter to obtain voter  
25 approval before the district imposes a maintenance tax  
26 or issues bonds payable from ad valorem taxes or  
27 assessments.

28 (b) The board may include more than one purpose  
29 in a single proposition at an election.

30 [Sections 3814.159-3814.200 reserved for expansion]

31 SUBCHAPTER E. DISSOLUTION

32 Revised Law

33 Sec. 3814.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
34 DEBT. (a) The board may dissolve the district regardless of  
35 whether the district has debt. Section 375.264, Local Government  
36 Code, does not apply to the district.

37 (b) If the district has debt when it is dissolved, the  
38 district shall remain in existence solely for the purpose of  
39 discharging its debts. The dissolution is effective when all debts

1 have been discharged. (Loc. Gov. Code, Sec. 376.476, as added Acts  
2 77th Leg., R.S., Ch. 1376.)

3 Source Law

4 Sec. 376.476. EXCEPTION FOR DISSOLUTION OF  
5 DISTRICT WITH OUTSTANDING DEBTS. (a) The board may  
6 vote to dissolve a district that has debt. If the vote  
7 is in favor of dissolution, the district shall remain  
8 in existence solely for the limited purpose of  
9 discharging its debts. The dissolution is effective  
10 when all debts have been discharged.

11 (b) Section 375.264 does not apply to the  
12 district.

13 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

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29 [Sections 3815.055-3815.100 reserved for expansion]

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36 [Sections 3815.106-3815.150 reserved for expansion]

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14 [Sections 3815.160-3815.200 reserved for expansion]

15 SUBCHAPTER E. DISSOLUTION

16 Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
17 DEBT . . . . . 535

18 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Revised Law

21 Sec. 3815.001. DEFINITIONS. In this subchapter:

22 (1) "Board" means the board of directors of the  
23 district.

24 (2) "District" means the Greater Southeast Management  
25 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
26 77th Leg., R.S., Ch. 1476.)

27 Source Law

28 Sec. 376.453. DEFINITIONS. In this  
29 subchapter:

30 (1) "Board" means the board of directors  
31 of the district.

32 (3) "District" means the Greater Southeast  
33 Management District.

34 Revisor's Note

35 Sections 376.453(2) and (4), Local Government  
36 Code, as added by Chapter 1476, Acts of the 77th

1 Legislature, Regular Session, 2001, respectively  
2 define "county" as Harris County, Texas, and  
3 "municipality" as the City of Houston, Texas. The  
4 revised law omits the definitions for ease of  
5 understanding. Throughout this chapter, the revised  
6 law instead refers to Harris County and the City of  
7 Houston, unless the context clearly shows that the  
8 term "county" or "municipality" refers generally to  
9 any county or municipality. The omitted law reads:

10 (2) "County" means Harris  
11 County, Texas.

12 (4) "Municipality" means the  
13 City of Houston, Texas.

14 Revised Law

15 Sec. 3815.002. GREATER SOUTHEAST MANAGEMENT DISTRICT. A  
16 special district known as the "Greater Southeast Management  
17 District" is a political subdivision of this state. (Loc. Gov.  
18 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1476.)

19 Source Law

20 Sec. 376.451. CREATION OF DISTRICT. (a) A  
21 special district to be known as the "Greater Southeast  
22 Management District" exists as a political subdivision  
23 of the state.

24 Revisor's Note

25 Section 376.451(b), Local Government Code, as  
26 added by Chapter 1476, Acts of the 77th Legislature,  
27 Regular Session, 2001, states that the board may  
28 change the name of the district by resolution. The  
29 revised law omits the section because it duplicates  
30 Section 375.096(d), Local Government Code. Section  
31 376.457, Local Government Code, as added by Chapter  
32 1476, Acts of the 77th Legislature, Regular Session,  
33 2001 (revised in this chapter as Section 3815.006),  
34 provides that Chapter 375, Local Government Code,  
35 applies to the district. Therefore, it is not  
36 necessary to revise statutes that duplicate provisions

1 in that chapter. The omitted law reads:

2 (b) The name of the district may be  
3 changed by resolution of the board.

4 Revised Law

5 Sec. 3815.003. PURPOSE; DECLARATION OF INTENT. (a) The  
6 creation of the district is essential to accomplish the purposes of  
7 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
8 Texas Constitution, and other public purposes stated in this  
9 chapter. By creating the district and in authorizing Harris  
10 County, the City of Houston, and other political subdivisions to  
11 contract with the district, the legislature has established a  
12 program to accomplish the public purposes set out in Section 52-a,  
13 Article III, Texas Constitution.

14 (b) The creation of the district is necessary to promote,  
15 develop, encourage, and maintain employment, commerce,  
16 transportation, housing, tourism, recreation, the arts,  
17 entertainment, economic development, safety, and the public  
18 welfare in the southeast area of the city of Houston.

19 (c) This chapter and the creation of the district may not be  
20 interpreted to relieve Harris County or the City of Houston from  
21 providing the level of services provided as of June 17, 2001, to the  
22 area in the district or to release the county or the city from the  
23 obligations of each entity to provide services to that area. The  
24 district is created to supplement and not to supplant the county or  
25 city services provided in the area in the district. (Loc. Gov.  
26 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
27 1476.)

28 Source Law

29 [Sec. 376.451]

30 (c) The creation of the district is essential to  
31 accomplish the purposes of Section 52, Article III,  
32 Section 59, Article XVI, and Section 52-a, Article  
33 III, Texas Constitution, and other public purposes  
34 stated in this subchapter.

35 Sec. 376.452. DECLARATION OF INTENT. (a) The  
36 creation of the district is necessary to promote,  
37 develop, encourage, and maintain employment,  
38 commerce, transportation, housing, tourism,  
39 recreation, arts, entertainment, economic  
40 development, safety, and the public welfare in the

1 southeast area of the city of Houston.

2 (b) The creation of the district and this  
3 legislation are not to be interpreted to relieve the  
4 county or the municipality from providing the level of  
5 services, as of the effective date of this subchapter,  
6 to the area in the district or to release the county or  
7 the municipality from the obligations each entity has  
8 to provide services to that area. The district is  
9 created to supplement and not supplant the municipal  
10 or county services provided in the area in the  
11 district.

12 (c) By creating the district and in authorizing  
13 the municipality, county, and other political  
14 subdivisions to contract with the district, the  
15 legislature has established a program to accomplish  
16 the public purposes set out in Section 52-a, Article  
17 III, Texas Constitution.

18 Revisor's Note

19 Section 376.452(b), Local Government Code, as  
20 added by Chapter 1476, Acts of the 77th Legislature,  
21 Regular Session, 2001, refers to "the effective date  
22 of this subchapter." That section is a part of  
23 Subchapter K, Chapter 376, Local Government Code, as  
24 added by Chapter 1476, Acts of the 77th Legislature,  
25 Regular Session, 2001. The revised law substitutes  
26 "June 17, 2001" for the quoted language, because that  
27 is the date on which that subchapter took effect.

28 Revised Law

29 Sec. 3815.004. FINDINGS OF BENEFIT AND PUBLIC  
30 PURPOSE. (a) The district is created to serve a public use and  
31 benefit.

32 (b) All land and other property included in the district  
33 will benefit from the improvements and services to be provided by  
34 the district under powers conferred by Sections 52 and 52-a,  
35 Article III, and Section 59, Article XVI, Texas Constitution, and  
36 other powers granted under this chapter.

37 (c) The creation of the district is in the public interest  
38 and is essential to:

39 (1) further the public purposes of developing and  
40 diversifying the economy of the state;

41 (2) eliminate unemployment and underemployment; and

42 (3) develop or expand transportation and commerce.

1 (d) The district will:

2 (1) promote the health, safety, and general welfare of  
3 residents, employers, employees, visitors, and consumers in the  
4 district, and of the public;

5 (2) provide money to preserve, maintain, and enhance  
6 the economic health and vitality of the district as a community and  
7 business center; and

8 (3) promote the health, safety, welfare, and enjoyment  
9 of the public by providing pedestrian ways and by landscaping and  
10 developing certain areas in the district, which are necessary for  
11 the restoration, preservation, and enhancement of scenic and  
12 aesthetic beauty.

13 (e) Pedestrian ways along or across a street, whether at  
14 grade or above or below the surface, and street lighting, street  
15 landscaping, and street art objects are parts of and necessary  
16 components of a street and are considered to be a street or road  
17 improvement.

18 (f) The district will not act as the agent or  
19 instrumentality of any private interest even though the district  
20 will benefit many private interests as well as the public. (Loc.  
21 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1476.)

22 Source Law

23 Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC  
24 PURPOSE. (a) All the land and other property  
25 included in the district will be benefited by the  
26 improvements and services to be provided by the  
27 district under powers conferred by Section 52, Article  
28 III, Section 59, Article XVI, and Section 52-a,  
29 Article III, Texas Constitution, and other powers  
30 granted under this subchapter, and the district is  
31 created to serve a public use and benefit.

32 (b) The creation of the district is in the  
33 public interest and is essential to:

34 (1) further the public purposes of the  
35 development and diversification of the economy of the  
36 state; and

37 (2) eliminate unemployment and  
38 underemployment and develop or expand transportation  
39 and commerce.

40 (c) The district will:

41 (1) promote the health, safety, and  
42 general welfare of residents, employers, employees,  
43 visitors, consumers in the district, and the general  
44 public;

45 (2) provide money to preserve, maintain,

1 and enhance the economic health and vitality of the  
2 district as a community and business center; and

3 (3) further promote the health, safety,  
4 welfare, and enjoyment of the public by providing  
5 pedestrian ways and by landscaping and developing  
6 certain areas in the district, which are necessary for  
7 the restoration, preservation, and enhancement of  
8 scenic and aesthetic beauty.

9 (d) Pedestrian ways along or across a street,  
10 whether at grade or above or below the surface, and  
11 street lighting, street landscaping, and street art  
12 objects are parts of and necessary components of a  
13 street and are considered to be a street or road  
14 improvement.

15 (e) The district will not act as the agent or  
16 instrumentality of any private interest even though  
17 many private interests will be benefited by the  
18 district, as will the general public.

19 Revised Law

20 Sec. 3815.005. DISTRICT TERRITORY. (a) The district is  
21 composed of the territory described by Section 1, Chapter 1476,  
22 Acts of the 77th Legislature, Regular Session, 2001, enacting  
23 former Section 376.454, Local Government Code, as that territory  
24 may have been modified under:

25 (1) Section 3815.105 or its predecessor statute,  
26 former Section 376.479, Local Government Code, as added by Chapter  
27 1476, Acts of the 77th Legislature, Regular Session, 2001;

28 (2) Subchapter J, Chapter 49, Water Code; or

29 (3) other law.

30 (b) The boundaries and field notes of the district contained  
31 in Section 1, Chapter 1476, Acts of the 77th Legislature, Regular  
32 Session, 2001, enacting former Section 376.454, Local Government  
33 Code, form a closure. A mistake in the field notes or in copying the  
34 field notes in the legislative process does not in any way affect:

35 (1) the district's organization, existence, and  
36 validity;

37 (2) the district's right to issue any type of bond,  
38 including a refunding bond, for a purpose for which the district is  
39 created or to pay the principal of and interest on the bond;

40 (3) the district's right to impose and collect an  
41 assessment or tax; or

42 (4) the legality or operation of the district or the  
43 board. (Loc. Gov. Code, Sec. 376.455, as added Acts 77th Leg.,

1 R.S., Ch. 1476; New.)

2 Source Law

3 Sec. 376.455. FINDINGS RELATING TO  
4 BOUNDARIES. The boundaries and field notes of the  
5 district form a closure. If a mistake is made in the  
6 field notes or in copying the field notes in the  
7 legislative process, the mistake does not in any way  
8 affect the:

9 (1) organization, existence, and validity  
10 of the district;

11 (2) right of the district to issue any type  
12 of bonds or refunding bonds for the purposes for which  
13 the district is created or to pay the principal of and  
14 interest on the bonds;

15 (3) right of the district to impose and  
16 collect assessments or taxes; or

17 (4) legality or operation of the district  
18 or its governing body.

19 Revisor's Note

20 The revision of the law governing the Greater  
21 Southeast Management District does not revise the  
22 statutory language describing the territory of the  
23 district to avoid the lengthy recitation of the  
24 description and because that description may not be  
25 accurate on the effective date of the revision or at  
26 the time of a later reading. For the reader's  
27 convenience, the revised law includes a reference to  
28 the statutory description of the district's territory  
29 and references to statutory authority to change the  
30 district's territory under Section 376.479, Local  
31 Government Code, as added by Chapter 1476, Acts of the  
32 77th Legislature, Regular Session, 2001 (revised in  
33 this chapter as Section 3815.105), and under  
34 Subchapter J, Chapter 49, Water Code. Sections  
35 375.043 and 375.044, Local Government Code, which  
36 apply to the district under Section 376.457, Local  
37 Government Code, as added by Chapter 1476, Acts of the  
38 77th Legislature, Regular Session, 2001 (revised in  
39 this chapter as Section 3815.006), provide that a  
40 management district may annex or exclude territory in  
41 the manner provided by Chapter 54, Water Code.

1 Sections 54.701 through 54.727, Water Code, which  
2 provided for the annexation or exclusion of territory  
3 by a municipal utility district, were repealed by  
4 Section 43, Chapter 715, Acts of the 74th Legislature,  
5 Regular Session, 1995. Section 2 of that act added  
6 Chapter 49, Water Code, including Subchapter J of that  
7 chapter, which now provides for the annexation or  
8 exclusion of territory by a municipal utility  
9 district; the references in Sections 375.043 and  
10 375.044, Local Government Code, to the repealed  
11 annexation and exclusion provisions in Chapter 54,  
12 Water Code, may be considered to be references to the  
13 similar provisions in Chapter 49, Water Code, and the  
14 revised law reflects this change. The revised law also  
15 includes a reference to the general authority of the  
16 legislature to enact other laws to change the  
17 district's territory.

18 Revised Law

19 Sec. 3815.006. APPLICABILITY OF OTHER LAW. Except as  
20 otherwise provided by this chapter, Chapter 375, Local Government  
21 Code, applies to the district, the board, and district employees.  
22 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th  
23 Leg., R.S., Ch. 1476.)

24 Source Law

25 Sec. 376.457. APPLICATION OF OTHER LAW. Except  
26 as otherwise provided by this subchapter, Chapter 375  
27 applies to the district and its governing body and  
28 employees.

29 Sec. 376.461. . . . The district has:

30 . . .  
31 (2) the rights, powers, privileges,  
32 authority, and functions of a district created under  
33 Chapter 375;

34 . . .

35 Revised Law

36 Sec. 3815.007. RELATION TO OTHER LAW. This chapter  
37 prevails over any provision of general law, including a law to which  
38 this chapter refers, that is in conflict with or is inconsistent

1 with this chapter. (Loc. Gov. Code, Sec. 376.466 (part), as added  
2 Acts 77th Leg., R.S., Ch. 1476.)

3 Source Law

4 Sec. 376.466. RELATION TO OTHER LAW. If any  
5 provision of general law, including a law referenced  
6 in this subchapter, is in conflict with or is  
7 inconsistent with this subchapter, this subchapter  
8 prevails. . . .

9 Revisor's Note

10 Section 376.466, Local Government Code, as added  
11 by Chapter 1476, Acts of the 77th Legislature, Regular  
12 Session, 2001, provides for the adoption and  
13 incorporation by reference of laws to which Subchapter  
14 K, Chapter 376, Local Government Code, as added by  
15 Chapter 1476, Acts of the 77th Legislature, Regular  
16 Session, 2001, refers. The revised law omits the  
17 provision as unnecessary. Because this chapter  
18 references the laws that apply to the district, it is  
19 not necessary to duplicate the substance of those laws  
20 in this section by means of adoption and  
21 incorporation. The omitted law reads:

22 Sec. 376.466. . . . Any law  
23 referenced in this subchapter that is not in  
24 conflict or inconsistent with this  
25 subchapter is adopted and incorporated by  
26 reference.

27 Revised Law

28 Sec. 3815.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
29 chapter shall be liberally construed in conformity with the  
30 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
31 376.458, as added Acts 77th Leg., R.S., Ch. 1476.)

32 Source Law

33 Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This  
34 subchapter shall be liberally construed in conformity  
35 with the findings and purposes stated in this  
36 subchapter.

37 [Sections 3815.009-3815.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 3815.051. BOARD OF DIRECTORS; TERMS. (a) The  
4 district is governed by a board of 21 directors who serve staggered  
5 terms of four years, with 10 directors' terms expiring June 1 of an  
6 odd-numbered year and 11 directors' terms expiring June 1 of the  
7 following odd-numbered year.

8 (b) The board by resolution may increase or decrease the  
9 number of directors on the board, but only if it is in the best  
10 interest of the district to do so. The board may not:

- 11 (1) increase the number of directors to more than 30;  
12 or  
13 (2) decrease the number of directors to fewer than 9.  
14 (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg., R.S., Ch.  
15 1476.)

16 Source Law

17 Sec. 376.459. BOARD OF DIRECTORS IN  
18 GENERAL. (a) The district is governed by a board of  
19 21 directors who serve staggered terms of four years,  
20 with 10 members' terms expiring June 1 of an  
21 odd-numbered year and 11 members' terms expiring June 1  
22 of the following odd-numbered year. The board may  
23 increase or decrease the number of directors on the  
24 board by resolution, provided that it is in the best  
25 interest of the district to do so and that the board  
26 consists of not fewer than 9 and not more than 30  
27 directors.

28 Revisor's Note

29 Section 376.459(b), Local Government Code, as  
30 added by Chapter 1476, Acts of the 77th Legislature,  
31 Regular Session, 2001, provides that Subchapter D,  
32 Chapter 375, Local Government Code, applies to the  
33 board to the extent that Subchapter D does not conflict  
34 with Subchapter K, Chapter 376, Local Government Code,  
35 as added by Chapter 1476, Acts of the 77th Legislature,  
36 Regular Session, 2001 (revised as this chapter). The  
37 revised law omits this provision because it duplicates  
38 Section 376.457, Local Government Code, as added by  
39 Chapter 1476, Acts of the 77th Legislature, Regular

1 Session, 2001 (revised in this chapter as Section  
2 3815.006), and Section 376.466, Local Government Code,  
3 as added by Chapter 1476, Acts of the 77th Legislature,  
4 Regular Session, 2001 (revised in this chapter as  
5 Section 3815.007). Revised Section 3815.006 provides  
6 that Chapter 375, Local Government Code, applies to  
7 the district except as otherwise provided by this  
8 chapter, and revised Section 3815.007 provides that  
9 this chapter prevails over any law that is in conflict  
10 with or inconsistent with this chapter. The omitted  
11 law reads:

12 (b) Subchapter D, Chapter 375,  
13 applies to the board to the extent that  
14 subchapter does not conflict with this  
15 subchapter. . . . Directors may vote on  
16 any matter authorized by Subchapter D,  
17 Chapter 375, and action may be taken by the  
18 board only if it is approved in the manner  
19 prescribed by Subchapter D, Chapter 375.

20 Revised Law

21 Sec. 3815.052. APPOINTMENT OF DIRECTORS. The mayor and  
22 members of the governing body of the City of Houston shall appoint  
23 directors from persons recommended by the board who meet the  
24 qualifications prescribed by Subchapter D, Chapter 375, Local  
25 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
26 Acts 77th Leg., R.S., Ch. 1476.)

27 Source Law

28 Sec. 376.460. APPOINTMENT OF DIRECTORS;  
29 VACANCY. The mayor and members of the governing body  
30 of the municipality shall appoint directors from  
31 persons recommended by the board who meet the  
32 qualifications of Subchapter D, Chapter 375. . . .

33 Revisor's Note

34 Section 376.460, Local Government Code, as added  
35 by Chapter 1476, Acts of the 77th Legislature, Regular  
36 Session, 2001, refers to a vacancy in the office of  
37 director "because of the death, resignation, or  
38 removal of a director" and provides for appointing a  
39 replacement. The revised law omits this provision

1 because it substantively duplicates Section 375.066,  
2 Local Government Code. Section 376.457, Local  
3 Government Code, as added by Chapter 1476, Acts of the  
4 77th Legislature, Regular Session, 2001 (revised in  
5 this chapter as Section 3815.006), provides that  
6 Chapter 375, Local Government Code, applies to the  
7 district. Therefore, it is not necessary to revise  
8 statutes that duplicate provisions in that chapter.  
9 Although Section 375.066 does not refer to "the death,  
10 resignation, or removal of a director," that language  
11 is unnecessary because the quoted language merely  
12 describes every manner in which a vacancy may occur  
13 without limiting in any way the board's duty to fill a  
14 vacancy. The omitted law reads:

15           Sec. 376.460. . . . A vacancy in the  
16 office of director because of the death,  
17 resignation, or removal of a director shall  
18 be filled by the remaining members of the  
19 board by appointing a qualified person for  
20 the unexpired term.

21                           Revised Law

22           Sec. 3815.053. EX OFFICIO DIRECTORS. (a) The following  
23 persons serve as nonvoting ex officio directors:

24                   (1) the directors of the parks and recreation,  
25 planning and development, public works, and civic center  
26 departments of the City of Houston;

27                   (2) the chief of police of the City of Houston;

28                   (3) the general manager of the Metropolitan Transit  
29 Authority of Harris County, Texas; and

30                   (4) the president of each institution of higher  
31 learning located in the district.

32           (b) If a department described by Subsection (a) is  
33 consolidated, renamed, or changed, the board may appoint a director  
34 of the consolidated, renamed, or changed department as a nonvoting  
35 ex officio director. If a department described by Subsection (a) is  
36 abolished, the board may appoint as a director a representative of

1 another department of the City of Houston that performs duties  
2 comparable to those performed by the abolished department.

3 (c) The board may appoint the presiding officer of a  
4 nonprofit corporation actively involved in activities in the  
5 southeast area of the city of Houston to serve as a nonvoting ex  
6 officio director. (Loc. Gov. Code, Sec. 376.463, as added Acts 77th  
7 Leg., R.S., Ch. 1476.)

8 Source Law

9 Sec. 376.463. EX OFFICIO BOARD MEMBERS. (a)  
10 The following persons shall serve as nonvoting ex  
11 officio directors:

12 (1) the director of the following  
13 departments of the municipality:

- 14 (A) parks and recreation;
- 15 (B) planning and development;
- 16 (C) public works; and
- 17 (D) civic center;

18 (2) the municipality's chief of police;

19 (3) the general manager of the  
20 Metropolitan Transit Authority; and

21 (4) the presidents of any institutions of  
22 higher learning located in the district.

23 (b) If a department described by Subsection (a)  
24 is consolidated, renamed, or changed, the board may  
25 appoint a director of the consolidated, renamed, or  
26 changed department as a nonvoting ex officio board  
27 member. If a department described by Subsection (a) is  
28 abolished, the board may appoint a representative of  
29 another department of the municipality that performs  
30 duties comparable to those performed by the abolished  
31 department.

32 (c) The board may appoint the presiding officer  
33 of a nonprofit corporation that is actively involved  
34 in activities in the municipality's midtown area to  
35 serve as a nonvoting ex officio director.

36 Revisor's Note

37 Section 376.463(c), Local Government Code, as  
38 added by Chapter 1476, Acts of the 77th Legislature,  
39 Regular Session, 2001, provides that the board of  
40 directors of the Greater Southeast Management District  
41 may appoint as a nonvoting ex officio director "the  
42 presiding officer of a nonprofit corporation that is  
43 actively involved in activities in the municipality's  
44 midtown area." The reference to the midtown area is a  
45 drafting error. Section 376.452(a), Local Government  
46 Code, as added by Chapter 1476, Acts of the 77th  
47 Legislature, Regular Session, 2001 (revised in this

1 chapter as Section 3815.003(b)), provides that the  
2 creation of the district is necessary to promote,  
3 develop, encourage, and maintain employment,  
4 commerce, transportation, housing, tourism,  
5 recreation, the arts, entertainment, economic  
6 development, safety, and the public welfare in "the  
7 southeast area of the city of Houston." The intent of  
8 the legislature in creating the district was clearly  
9 to benefit the southeast area of Houston, and it is  
10 inconsistent with that intent for the district's board  
11 of directors to include a member involved in  
12 activities in the midtown area of Houston.  
13 Accordingly, the revised law substitutes "the  
14 southeast area of the city of Houston" for "the  
15 municipality's midtown area."

16 Revised Law

17 Sec. 3815.054. CONFLICTS OF INTEREST. (a) Except as  
18 provided by this section:

19 (1) a director may participate in all board votes and  
20 decisions; and

21 (2) Chapter 171, Local Government Code, governs  
22 conflicts of interest of directors.

23 (b) Section 171.004, Local Government Code, does not apply  
24 to the district. A director who has a substantial interest in a  
25 business or charitable entity that will receive a pecuniary benefit  
26 from a board action shall file an affidavit with the board secretary  
27 declaring the interest. Another affidavit is not required if the  
28 director's interest changes.

29 (c) After the affidavit is filed, the director may  
30 participate in a discussion or vote on that action if:

31 (1) a majority of the directors have a similar  
32 interest in the same entity; or

33 (2) all other similar business or charitable entities  
34 in the district will receive a similar pecuniary benefit.

1 (d) A director who is also an officer or employee of a public  
2 entity may not participate in a discussion of or vote on a matter  
3 regarding a contract with that same public entity.

4 (e) For purposes of this section, a director has a  
5 substantial interest in a charitable entity in the same manner that  
6 a person would have a substantial interest in a business entity  
7 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
8 Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1476.)

9 Source Law

10 Sec. 376.464. CONFLICTS OF INTEREST; ONE-TIME  
11 AFFIDAVIT. (a) Except as provided in this section:

12 (1) a director may participate in all  
13 board votes and decisions; and

14 (2) Chapter 171 governs conflicts of  
15 interest for board members.

16 (b) Section 171.004 does not apply to the  
17 district. A director who has a substantial interest in  
18 a business or charitable entity that will receive a  
19 pecuniary benefit from a board action shall file a  
20 one-time affidavit declaring the interest. An  
21 additional affidavit is not required if the director's  
22 interest changes. After the affidavit is filed with  
23 the board secretary, the director may participate in a  
24 discussion or vote on that action if:

25 (1) a majority of the directors have a  
26 similar interest in the same entity; or

27 (2) all other similar business or  
28 charitable entities in the district will receive a  
29 similar pecuniary benefit.

30 (c) A director who is also an officer or  
31 employee of a public entity may not participate in the  
32 discussion of or vote on a matter regarding a contract  
33 with that same public entity.

34 (d) For purposes of this section, a director has  
35 a substantial interest in a charitable entity in the  
36 same manner that a person would have a substantial  
37 interest in a business entity under Section 171.002.

38 [Sections 3815.055-3815.100 reserved for expansion]

39 SUBCHAPTER C. POWERS AND DUTIES

40 Revised Law

41 Sec. 3815.101. DISTRICT POWERS. The district has:

42 (1) all powers necessary to accomplish the purposes  
43 for which the district was created;

44 (2) the powers given to a corporation under Section  
45 4B, the Development Corporation Act of 1979 (Article 5190.6,  
46 Vernon's Texas Civil Statutes), and the power to own, operate,  
47 acquire, construct, lease, improve, and maintain projects; and

1 (3) the powers given to a housing finance corporation  
2 created under Chapter 394, Local Government Code, to provide  
3 housing or residential development projects in the district. (Loc.  
4 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
5 1476.)

6 Source Law

7 Sec. 376.461. POWERS OF DISTRICT. The district  
8 has:

9 (1) all powers necessary or required to  
10 accomplish the purposes for which the district was  
11 created;

12 . . .  
13 (3) the powers given to a corporation  
14 under Section 4B, Development Corporation Act of 1979  
15 (Article 5190.6, Vernon's Texas Civil Statutes), and  
16 the power to own, operate, acquire, construct, lease,  
17 improve, and maintain projects;

18 . . .  
19 (6) the powers given to a housing finance  
20 corporation created under Chapter 394 to provide  
21 housing or residential development projects in the  
22 district.

23 Revisor's Note

24 Section 376.461(1), Local Government Code, as  
25 added by Chapter 1476, Acts of the 77th Legislature,  
26 Regular Session, 2001, refers to powers "necessary or  
27 required" to accomplish the purposes of the district.  
28 The revised law omits "required" because, in this  
29 context, it is included in the meaning of "necessary."

30 Revised Law

31 Sec. 3815.102. NONPROFIT CORPORATION. (a) The board by  
32 resolution may authorize the creation of a nonprofit corporation to  
33 assist and act for the district in implementing a project or  
34 providing a service authorized by this chapter.

35 (b) The nonprofit corporation:

36 (1) has each power of and is considered for purposes of  
37 this chapter to be a local government corporation created under  
38 Chapter 431, Transportation Code; and

39 (2) may implement any project and provide any service  
40 authorized by this chapter.

41 (c) The board shall appoint the board of directors of the

1 nonprofit corporation. The board of directors of the nonprofit  
2 corporation shall serve in the same manner as, for the same term as,  
3 and on the conditions of the board of directors of a local  
4 government corporation created under Chapter 431, Transportation  
5 Code. (Loc. Gov. Code, Sec. 376.468, as added Acts 77th Leg., R.S.,  
6 Ch. 1476.)

7 Source Law

8 Sec. 376.468. NONPROFIT CORPORATION. (a) The  
9 board by resolution may authorize the creation of a  
10 nonprofit corporation to assist and act on behalf of  
11 the district in implementing a project or providing a  
12 service authorized by this subchapter.

13 (b) The board shall appoint the board of  
14 directors of a nonprofit corporation created under  
15 this section. The board of directors of the nonprofit  
16 corporation shall serve in the same manner as, for the  
17 same term as, and on the conditions of the board of  
18 directors of a local government corporation created  
19 under Chapter 431, Transportation Code.

20 (c) A nonprofit corporation created under this  
21 section has the powers of and is considered for  
22 purposes of this subchapter to be a local government  
23 corporation created under Chapter 431, Transportation  
24 Code.

25 (d) A nonprofit corporation created under this  
26 section may implement any project and provide any  
27 services authorized by this subchapter.

28 Revised Law

29 Sec. 3815.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
30 protect the public interest, the district may contract with Harris  
31 County or the City of Houston for the county or city to provide law  
32 enforcement services in the district for a fee.

33 (b) Harris County, the City of Houston, or another political  
34 subdivision of this state, without further authorization, may  
35 contract with the district to implement a project of the district or  
36 assist the district in providing a service authorized under this  
37 chapter. A contract under this subsection may:

- 38 (1) be for a period on which the parties agree;
- 39 (2) include terms on which the parties agree;
- 40 (3) be payable from taxes or any other source of  
41 revenue that may be available for that project or service; or
- 42 (4) provide terms under which taxes or other revenue  
43 collected at a district project or from a person using or purchasing

1 a commodity or service at a district project may be paid or rebated  
2 to the district.

3 (c) The district may enter into a contract, lease, or other  
4 agreement with or make or accept a grant or loan to or from, or  
5 accept donations from, any person, including:

- 6 (1) the United States;
- 7 (2) this state or a state agency;
- 8 (3) any political subdivision of this state; or
- 9 (4) a public or private corporation, including a  
10 nonprofit corporation created by the board under this subchapter.

11 (d) The district may perform all acts necessary for the full  
12 exercise of the powers vested in the district on terms and for the  
13 period the board determines advisable.

14 (e) The implementation of a project is a governmental  
15 function or service for purposes of Chapter 791, Government Code.  
16 (Loc. Gov. Code, Secs. 376.477, 376.480, as added Acts 77th Leg.,  
17 R.S., Ch. 1476.)

18 Source Law

19 Sec. 376.477. CONTRACTS. (a) To protect the  
20 public interest, the district may contract with the  
21 municipality or the county for the municipality or  
22 county to provide law enforcement services in the  
23 district for a fee.

24 (b) The municipality, the county, or another  
25 political subdivision of the state, without further  
26 authorization, may contract with the district to  
27 implement a project of the district or assist the  
28 district in providing the services authorized under  
29 this subchapter. A contract under this subsection  
30 may:

- 31 (1) be for a period on which the parties  
32 agree;
- 33 (2) include terms on which the parties  
34 agree;
- 35 (3) be payable from taxes or any other  
36 sources of revenue that may be available for that  
37 purpose; or
- 38 (4) provide that taxes or other revenue  
39 collected at a district project or from a person using  
40 or purchasing a commodity or service at a district  
41 project may be paid or rebated to the district under  
42 the terms of the contract.

43 (c) The district may enter into a contract,  
44 lease, or other agreement with or make or accept grants  
45 and loans to or from:

- 46 (1) the United States;
- 47 (2) the state or a state agency;
- 48 (3) a county, a municipality, or another  
49 political subdivision of the state;

1 (4) a public or private corporation,  
2 including a nonprofit corporation created by the board  
3 under this subchapter; or

4 (5) any other person.

5 (d) The district may perform all acts necessary  
6 for the full exercise of the powers vested in the  
7 district on terms and for the period the board  
8 determines advisable.

9 Sec. 376.480. AGREEMENTS: GENERAL; DONATIONS,  
10 INTERLOCAL AGREEMENTS, AND LAW ENFORCEMENT SERVICES.

11 (a) The district may make an agreement with or accept  
12 a donation, grant, or loan from any person.

13 (b) The implementation of a project is a  
14 governmental function or service for the purposes of  
15 Chapter 791, Government Code.

16 (c) To protect the public interest, the district  
17 may contract with the municipality or the county for  
18 the municipality or county to provide law enforcement  
19 services in the district for a fee.

20 Revisor's Note

21 Section 376.477(c)(3), Local Government Code, as  
22 added by Chapter 1476, Acts of the 77th Legislature,  
23 Regular Session, 2001, refers to "a county, a  
24 municipality, or another political subdivision of the  
25 state." The revised law omits the references to  
26 "county" and "municipality" because "county" and  
27 "municipality" are included in the meaning of  
28 "political subdivision."

29 Revised Law

30 Sec. 3815.104. COMPETITIVE BIDDING. Section 375.221,  
31 Local Government Code, does not apply to a district contract for  
32 \$25,000 or less. (Loc. Gov. Code, Sec. 376.478, as added Acts 77th  
33 Leg., R.S., Ch. 1476.)

34 Source Law

35 Sec. 376.478. COMPETITIVE BIDDING UNIT.  
36 Section 375.221 does not apply to the district unless  
37 the contract is for more than \$25,000.

38 Revised Law

39 Sec. 3815.105. ANNEXATION. In addition to the authority to  
40 annex territory under Subchapter C, Chapter 375, Local Government  
41 Code, the district has the authority to annex territory located in a  
42 reinvestment zone created by the City of Houston under Chapter 311,  
43 Tax Code, if the city's governing body consents to the annexation.  
44 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.

1 1476.)

2 Source Law

3 Sec. 376.479. ANNEXATION. The district may:  
4 (1) annex territory as provided by  
5 Subchapter C, Chapter 375; and  
6 (2) annex territory located inside the  
7 boundaries of a reinvestment zone created by the  
8 municipality under Chapter 311, Tax Code, if the  
9 governing body of the municipality consents to the  
10 annexation.

11 Revisor's Note  
12 (End of Subchapter)

13 (1) Section 376.462, Local Government Code, as  
14 added by Chapter 1476, Acts of the 77th Legislature,  
15 Regular Session, 2001, prohibits the district from  
16 exercising the power of eminent domain. The revised  
17 law omits the section because it duplicates Section  
18 375.094, Local Government Code. Section 376.457, as  
19 added by Chapter 1476, Acts of the 77th Legislature,  
20 Regular Session, 2001 (revised in this chapter as  
21 Section 3815.006), provides that Chapter 375, Local  
22 Government Code, applies to the district. Therefore,  
23 it is not necessary to revise statutes that duplicate  
24 provisions in that chapter. The omitted law reads:

25 Sec. 376.462. EMINENT DOMAIN. The  
26 district may not exercise the power of  
27 eminent domain.

28 (2) Section 376.465, Local Government Code, as  
29 added by Chapter 1476, Acts of the 77th Legislature,  
30 Regular Session, 2001, provides that the district is  
31 solely responsible for expenses related to certain  
32 actions taken by the district and is liable for damages  
33 resulting from those actions. The revised law omits  
34 the section because it duplicates Section 375.093(c),  
35 Local Government Code. Section 376.457, as added by  
36 Chapter 1476, Acts of the 77th Legislature, Regular  
37 Session, 2001 (revised in this chapter as Section  
38 3815.006), provides that Chapter 375, Local Government  
39 Code, applies to the district. Therefore, it is not

1 necessary to revise statutes that duplicate  
2 provisions in that chapter. The omitted law reads:

3 Sec. 376.465. EXPENSES AND LIABILITY  
4 FOR CERTAIN ACTIONS AFFECTING  
5 PROPERTY. (a) If the district, in  
6 exercising a power conferred by this  
7 subchapter, requires a relocation,  
8 adjustment, raising, lowering, rerouting,  
9 or changing of the grade or the construction  
10 of any of the following items, the district  
11 must take that required action at the sole  
12 expense of the district:

13 (1) a street, alley, highway,  
14 overpass, underpass, road, railroad track,  
15 bridge, facility, or other property;

16 (2) an electric line, conduit,  
17 facility, or other property;

18 (3) a telephone or telegraph  
19 line, conduit, facility, or other property;

20 (4) a gas transmission or  
21 distribution pipe, pipeline, main,  
22 facility, or other property;

23 (5) a water, sanitary sewer, or  
24 storm sewer pipe, pipeline, main, facility,  
25 or other property;

26 (6) a cable television line,  
27 cable, conduit, facility, or other  
28 property; or

29 (7) another pipeline, facility,  
30 or other property relating to the pipeline.

31 (b) The district shall bear damages  
32 that are suffered by owners of the facility  
33 or other property.

34 [Sections 3815.106-3815.150 reserved for expansion]

35 SUBCHAPTER D. FINANCIAL PROVISIONS

36 Revised Law

37 Sec. 3815.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
38 IMPROVEMENTS. (a) The board may not finance a service or an  
39 improvement project under this chapter unless a written petition  
40 requesting that service or improvement is filed with the board.

41 (b) The petition must be signed by:

42 (1) the owners of a majority of the assessed value of  
43 real property in the district according to the most recent  
44 certified tax appraisal roll for Harris County; or

45 (2) at least 50 owners of land in the district, if more  
46 than 50 persons own property in the district according to the most  
47 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
48 Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1476.)



1 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
2 or impact fee requires a vote of a majority of the directors  
3 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
4 77th Leg., R.S., Ch. 1476.)

5 Source Law

6 (b) . . . The imposition of a tax, assessment,  
7 or impact fee requires a vote of a majority of the  
8 directors serving. . . .

9 Revised Law

10 Sec. 3815.154. AUTHORITY TO IMPOSE TAXES, ASSESSMENTS, AND  
11 IMPACT FEES. The district may impose an ad valorem tax, assessment,  
12 or impact fee as provided by Chapter 375, Local Government Code, to  
13 provide an improvement or service for a project or activity the  
14 district may acquire, construct, improve, or provide under this  
15 chapter. (Loc. Gov. Code, Sec. 376.461 (part), as added Acts 77th  
16 Leg., R.S., Ch. 1476.)

17 Source Law

18 Sec. 376.461. . . . The district has:  
19 . . .  
20 (4) the power to impose ad valorem taxes,  
21 assessments, or impact fees in accordance with Chapter  
22 375 to provide improvements and services for a project  
23 or activity the district is authorized to acquire,  
24 construct, improve, or provide under this subchapter;  
25 . . .

26 Revised Law

27 Sec. 3815.155. MAINTENANCE TAX. (a) If authorized at an  
28 election held in accordance with Section 3815.159, the district may  
29 impose an annual ad valorem tax on taxable property in the district  
30 to:

- 31 (1) maintain and operate the district and the
- 32 improvements constructed or acquired by the district; or
- 33 (2) provide a service.

34 (b) The board shall determine the tax rate. (Loc. Gov.  
35 Code, Sec. 376.475, as added Acts 77th Leg., R.S., Ch. 1476.)

36 Source Law

37 Sec. 376.475. MAINTENANCE TAX. (a) If  
38 authorized at an election held in accordance with  
39 Section 376.473, the district may impose and collect  
40 an annual ad valorem tax on taxable property in the

1 district for the maintenance and operation of the  
2 district and the improvements constructed or acquired  
3 by the district or for the provision of services.

4 (b) The board shall determine the tax rate.

5 Revisor's Note

6 Section 376.475(a), Local Government Code, as  
7 added by Chapter 1476, Acts of the 77th Legislature,  
8 Regular Session, 2001, provides that the district may  
9 "impose and collect" an ad valorem tax. The revised  
10 law omits "and collect" because "impose" is the term  
11 generally used in Title 1, Tax Code, and includes the  
12 collection of an ad valorem tax.

13 Revised Law

14 Sec. 3815.156. ASSESSMENTS; LIENS FOR  
15 ASSESSMENTS. (a) The board by resolution may impose and collect  
16 an assessment for any purpose authorized by this chapter.

17 (b) An assessment, a reassessment, or an assessment  
18 resulting from an addition to or correction of the assessment roll  
19 by the district, penalties and interest on an assessment or  
20 reassessment, an expense of collection, and reasonable attorney's  
21 fees incurred by the district:

22 (1) are a first and prior lien against the property  
23 assessed;

24 (2) are superior to any other lien or claim other than  
25 a lien or claim for county, school district, or municipal ad valorem  
26 taxes; and

27 (3) are the personal liability of and a charge against  
28 the owners of the property even if the owners are not named in the  
29 assessment proceeding.

30 (c) The lien is effective from the date of the board's  
31 resolution imposing the assessment until the date the assessment is  
32 paid. The board may enforce the lien in the same manner that the  
33 board may enforce an ad valorem tax lien against real property.

34 (d) The board may correct, add to, or delete assessments  
35 from its assessment rolls after notice and hearing as provided by  
36 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,

1 Secs. 376.461 (part), 376.471, as added Acts 77th Leg., R.S., Ch.  
2 1476.)

3 Source Law

4 Sec. 376.461. . . . The district has:  
5 . . .  
6 (5) the power to correct, add to, or delete  
7 assessments from its assessment rolls as provided by  
8 Subchapter F, Chapter 375; and  
9 . . .

10 Sec. 376.471. ASSESSMENTS. (a) The board may  
11 impose and collect an assessment for any purpose  
12 authorized by this subchapter.

13 (b) Assessments, reassessments, or assessments  
14 resulting from an addition to or correction of the  
15 assessment roll by the district, penalties and  
16 interest on an assessment or reassessment, expenses of  
17 collection, and reasonable attorney's fees incurred by  
18 the district:

19 (1) are a first and prior lien against the  
20 property assessed;

21 (2) are superior to any other lien or claim  
22 other than a lien or claim for county, school district,  
23 or municipal ad valorem taxes; and

24 (3) are the personal liability of and  
25 charge against the owners of the property even if the  
26 owners are not named in the assessment proceedings.

27 (c) The lien is effective from the date of the  
28 resolution of the board levying the assessment until  
29 the assessment is paid. The board may enforce the lien  
30 in the same manner that the board may enforce an ad  
31 valorem tax lien against real property.

32 Revisor's Note

33 Section 376.470(b), Local Government Code, as  
34 added by Chapter 1476, Acts of the 77th Legislature,  
35 Regular Session, 2001, authorizes the imposition and  
36 collection of assessments under Subchapter F, Chapter  
37 375, Local Government Code. The revised law omits the  
38 language as unnecessary. Section 376.457, as added by  
39 Chapter 1476, Acts of the 77th Legislature, Regular  
40 Session, 2001 (revised in this chapter as Section  
41 3815.006), provides that Chapter 375, Local Government  
42 Code, applies to the district. It is not necessary to  
43 include in this revision a provision that merely  
44 grants the district powers under that chapter. The  
45 omitted law reads:

46 (b) . . . The board may impose and  
47 collect an assessment under Subchapter F,  
48 Chapter 375, for any purpose authorized by

1 this subchapter or by Chapter 375.

2 Revised Law

3 Sec. 3815.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
4 ASSESSMENTS. (a) The district may not impose a tax, impact fee, or  
5 assessment on a residential property or condominium.

6 (b) The district may not impose an impact fee or assessment  
7 on the property, equipment, or facilities of a person who provides  
8 to the public cable television, gas, light, power, telephone,  
9 sewage, or water service. (Loc. Gov. Code, Sec. 376.472, as added  
10 Acts 77th Leg., R.S., Ch. 1476.)

11 Source Law

12 Sec. 376.472. PROPERTY EXEMPTED FROM TAX, FEE,  
13 OR ASSESSMENT. (a) The district may not impose a tax,  
14 impact fee, or assessment on a residential property or  
15 condominium.

16 (b) The district may not impose an impact fee or  
17 assessment on the property, equipment, or facilities  
18 of a utility. In this subsection, "utility" means a  
19 person that provides to the public cable television,  
20 gas, light, power, telephone, sewerage, or water  
21 service.

22 Revised Law

23 Sec. 3815.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON.

24 (a) The district may issue bonds or other obligations payable in  
25 whole or in part from ad valorem taxes, assessments, impact fees,  
26 revenue, grants, or other money of the district, or any combination  
27 of those sources of money, to pay for any authorized purpose of the  
28 district.

29 (b) In exercising the district's borrowing power, the  
30 district may issue a bond or other obligation in the form of a bond,  
31 note, certificate of participation or other instrument evidencing a  
32 proportionate interest in payments to be made by the district, or  
33 other type of obligation.

34 (c) Except as provided by Subsection (d), the district must  
35 obtain the approval of the City of Houston:

36 (1) for the issuance of a bond for each improvement  
37 project;

38 (2) of the plans and specifications of the improvement  
39 project to be financed by the bond; and

1 (3) of the plans and specifications of a district  
2 improvement project related to:

3 (A) the use of land owned by the City of Houston;

4 (B) an easement granted by the City of Houston;

5 or

6 (C) a right-of-way of a street, road, or highway.

7 (d) If the district obtains the approval of the City of  
8 Houston of a capital improvements budget for a specified period not  
9 to exceed five years, the district may finance the capital  
10 improvements and issue bonds specified in the budget without  
11 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
12 376.470(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch.  
13 1476.)

14 Source Law

15 Sec. 376.470. BONDS. (a) The district may  
16 issue bonds or other obligations payable in whole or in  
17 part from ad valorem taxes, assessments, impact fees,  
18 revenues, grants, or other money of the district, or  
19 any combination of those sources of money, to pay for  
20 any authorized purpose of the district.

21 (b) Bonds or other obligations of the district  
22 may be issued in the form of bonds, notes, certificates  
23 of participation, including other instruments  
24 evidencing a proportionate interest in payments to be  
25 made by the district, or other obligations that are  
26 issued in the exercise of the district's borrowing  
27 power and may be issued in bearer or registered form or  
28 not represented by an instrument but the transfer of  
29 which is registered on books maintained by or on behalf  
30 of the district. . . .

31 (c) Except as provided by Subsection (d), the  
32 district must obtain the municipality's approval of:

33 (1) the issuance of bonds for an  
34 improvement project;

35 (2) the plans and specifications of the  
36 improvement project to be financed by the bonds; and

37 (3) the plans and specifications of a  
38 district improvement project related to:

39 (A) the use of land owned by the  
40 municipality;

41 (B) an easement granted by the  
42 municipality; or

43 (C) a right-of-way of a street, road,  
44 or highway.

45 (d) If the district obtains the municipality's  
46 approval of a capital improvements budget for a  
47 specified period not to exceed five years, the  
48 district may finance the capital improvements and  
49 issue bonds specified in the budget without further  
50 municipal approval.

1 Revisor's Note

2 (1) Section 376.470(b), Local Government Code,  
3 as added by Chapter 1476, Acts of the 77th Legislature,  
4 Regular Session, 2001, provides that obligations "may  
5 be issued in bearer or registered form or not  
6 represented by an instrument but the transfer of which  
7 is registered on books maintained by or on behalf of  
8 the district." The revised law omits the quoted  
9 language as unnecessary because it duplicates Sections  
10 1201.022(a)(2) and 1201.023, Government Code. Section  
11 1201.022(a)(2) permits bearer or registered form.  
12 Section 1201.023 permits uncertificated book entry.  
13 Those sections apply to obligations issued under  
14 Section 376.470, Local Government Code, by application  
15 of Section 1201.002, Government Code.

16 (2) Section 376.470(e), Local Government Code,  
17 as added by Chapter 1476, Acts of the 77th Legislature,  
18 Regular Session, 2001, provides that, before issuing  
19 bonds, the district must submit the bonds and the  
20 record of the district's bond proceedings to the  
21 attorney general for approval. The revised law omits  
22 Section 376.470(e) as unnecessary because it  
23 duplicates Section 1202.003(a), Government Code  
24 (enacted in 1987 as Section 3.002(a), Chapter 53, Acts  
25 of the 70th Legislature, 2nd Called Session (Article  
26 717k-8, Vernon's Texas Civil Statutes)). That section  
27 applies to bonds issued under Section 376.470(e),  
28 Local Government Code, by application of Section  
29 1202.001, Government Code. The omitted law reads:

30 (e) Before the district issues bonds,  
31 the district shall submit the bonds and the  
32 record of proceedings of the district  
33 relating to authorization of the bonds to  
34 the attorney general for approval as  
35 provided by Chapter 1202, Government Code.

1 Revised Law

2 Sec. 3815.159. ELECTIONS REGARDING TAXES OR  
3 BONDS. (a) In addition to the elections required under  
4 Subchapter L, Chapter 375, Local Government Code, the district must  
5 hold an election in the manner provided by that subchapter to obtain  
6 voter approval before the district may:

7 (1) impose a maintenance tax; or

8 (2) issue a bond payable from ad valorem taxes or  
9 assessments.

10 (b) The board may submit multiple purposes in a single  
11 proposition at an election. (Loc. Gov. Code, Sec. 376.473, as  
12 added Acts 77th Leg., R.S., Ch. 1476.)

13 Source Law

14 Sec. 376.473. ELECTIONS. (a) In addition to  
15 the elections the district must hold under Subchapter  
16 L, Chapter 375, the district shall hold an election in  
17 the manner provided by that subchapter to obtain voter  
18 approval before the district imposes a maintenance tax  
19 or issues bonds payable from ad valorem taxes or  
20 assessments.

21 (b) The board may submit multiple purposes in a  
22 single proposition at an election.

23 Revisor's Note  
24 (End of Subchapter)

25 Section 376.474, Local Government Code, as added  
26 by Chapter 1476, Acts of the 77th Legislature, Regular  
27 Session, 2001, grants the district the power to impose  
28 impact fees as provided by Subchapter G, Chapter 375,  
29 Local Government Code. The revised law omits the  
30 section as unnecessary. Section 376.457, Local  
31 Government Code, as added by Chapter 1476, Acts of the  
32 77th Legislature, Regular Session, 2001 (revised in  
33 this chapter as Section 3815.006), provides that  
34 Chapter 375, Local Government Code, applies to the  
35 district. Therefore, it is not necessary to revise  
36 statutes that merely grant the district powers under  
37 that chapter. The omitted law reads:

38 Sec. 376.474. IMPACT FEES. The  
39 district may impose an impact fee for an

1 authorized purpose as provided by  
2 Subchapter G, Chapter 375.

3 [Sections 3815.160-3815.200 reserved for expansion]

4 SUBCHAPTER E. DISSOLUTION

5 Revised Law

6 Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
7 DEBT. If the district has debt when it is dissolved, the district  
8 shall remain in existence solely for the purpose of discharging its  
9 bonds or other obligations according to their terms. (Loc. Gov.  
10 Code, Sec. 376.476 (part), as added Acts 77th Leg., R.S., Ch. 1476.)

11 Source Law

12 Sec. 376.476. DISSOLUTION OF DISTRICT.  
13 . . . If the district has debt and is dissolved, the  
14 district shall remain in existence solely for the  
15 limited purpose of discharging its bonds or other  
16 obligations according to their terms.

17 Revisor's Note

18 Section 376.476, Local Government Code, as added  
19 by Chapter 1476, Acts of the 77th Legislature, Regular  
20 Session, 2001, grants the district the power to  
21 dissolve under Subchapter M, Chapter 375, Local  
22 Government Code. The revised law omits the language as  
23 unnecessary. Section 376.457, as added by Chapter  
24 1476, Acts of the 77th Legislature, Regular Session,  
25 2001 (revised in this chapter as Section 3815.006),  
26 provides that Chapter 375, Local Government Code,  
27 applies to the district. Therefore, it is not  
28 necessary to revise statutes that merely grant the  
29 district powers under that chapter. The omitted law  
30 reads:

31 Sec. 376.476. . . . The district may  
32 be dissolved as provided by Subchapter M,  
33 Chapter 375. . . .

34 CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

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10 CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Revised Law

13 Sec. 3816.001. DEFINITIONS. In this subchapter:

14 (1) "Board" means the board of directors of the  
15 district.

16 (2) "District" means the Frisco Square Management  
17 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
18 77th Leg., R.S., Ch. 1384.)

19 Source Law

20 Sec. 376.453. DEFINITIONS. In this  
21 subchapter:

22 (1) "Board" means the board of directors  
23 of the district.

24 (3) "District" means the Frisco Square  
25 Management District.

26 Revisor's Note

27 Sections 376.453(2) and (4), Local Government  
28 Code, as added by Chapter 1384, Acts of the 77th  
29 Legislature, Regular Session, 2001, respectively  
30 define "county" as Collin County and "municipality" as  
31 the City of Frisco. The revised law omits the  
32 definitions for ease of understanding. Throughout  
33 this chapter, the revised law instead refers to Collin  
34 County and the City of Frisco, unless the context  
35 clearly shows that the term "county" or "municipality"  
36 refers generally to any county or municipality. The

1 omitted law reads:

2 (2) "County" means Collin  
3 County.

4 (4) "Municipality" means the  
5 City of Frisco.

6 Revised Law

7 Sec. 3816.002. FRISCO SQUARE MANAGEMENT DISTRICT. The  
8 Frisco Square Management District is a special district created  
9 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
10 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1384.)

11 Source Law

12 Sec. 376.451. CREATION OF DISTRICT. (a) The  
13 Frisco Square Management District is created as a  
14 special district under Section 59, Article XVI, Texas  
15 Constitution.

16 Revisor's Note

17 Section 376.451(b), Local Government Code, as  
18 added by Chapter 1384, Acts of the 77th Legislature,  
19 Regular Session, 2001, states that the board may  
20 change the name of the district by resolution. The  
21 revised law omits this provision because it duplicates  
22 Section 375.096(d), Local Government Code. Section  
23 376.457(a), Local Government Code, as added by Chapter  
24 1384, Acts of the 77th Legislature, Regular Session,  
25 2001 (revised in this chapter as Section 3816.007),  
26 provides that Chapter 375, Local Government Code,  
27 applies to the district. Therefore, it is not  
28 necessary to revise statutes that duplicate provisions  
29 in that chapter. The omitted law reads:

30 (b) The board by resolution may  
31 change the district's name.

32 Revised Law

33 Sec. 3816.003. PURPOSE; DECLARATION OF INTENT. (a) The  
34 creation of the district is essential to accomplish the purposes of  
35 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
36 Texas Constitution, and other public purposes stated in this  
37 chapter. By creating the district and in authorizing Collin

1 County, the City of Frisco, and other political subdivisions to  
2 contract with the district, the legislature has established a  
3 program to accomplish the public purposes set out in Section 52-a,  
4 Article III, Texas Constitution.

5 (b) The creation of the district is necessary to promote,  
6 develop, encourage, and maintain employment, commerce,  
7 transportation, housing, tourism, recreation, the arts,  
8 entertainment, economic development, safety, and the public  
9 welfare in the City of Frisco's central business area.

10 (c) This chapter and the creation of the district may not be  
11 interpreted to relieve Collin County or the City of Frisco from  
12 providing the level of services provided as of September 1, 2001, to  
13 the area in the district or to release the county or city from the  
14 obligations of each entity to provide services to that area. The  
15 district is created to supplement and not to supplant the city  
16 services provided in the area in the district. (Loc. Gov. Code,  
17 Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
18 1384.)

19 Source Law

20 [Sec. 376.451]

21 (c) The creation of the district is essential to  
22 accomplish the purposes of Sections 52 and 52-a,  
23 Article III, and Section 59, Article XVI, Texas  
24 Constitution, and other public purposes stated in this  
25 subchapter.

26 Sec. 376.452. DECLARATION OF INTENT. (a) The  
27 creation of the district is necessary to promote,  
28 develop, encourage, and maintain employment,  
29 commerce, transportation, housing, tourism,  
30 recreation, arts, entertainment, economic  
31 development, safety, and the public welfare in the  
32 municipality's central business area.

33 (b) The creation of the district and this  
34 legislation are not to be interpreted to relieve the  
35 county or the municipality from providing the level of  
36 services, as of September 1, 2001, to the area in the  
37 district or to release the county or the municipality  
38 from the obligations each entity has to provide  
39 services to that area. The district is created to  
40 supplement and not supplant the municipal services  
41 provided in the area in the district.

42 (c) By creating the district and in authorizing  
43 the municipality, county, and other political  
44 subdivisions to contract with the district, the  
45 legislature has established a program to accomplish  
46 the public purposes set out in Section 52-a, Article  
47 III, Texas Constitution.

1 Revised Law

2 Sec. 3816.004. FINDINGS OF BENEFIT AND PUBLIC  
3 PURPOSE. (a) The district is created to serve a public use and  
4 benefit.

5 (b) All land and other property included in the district  
6 will benefit from the improvements and services to be provided by  
7 the district under powers conferred by Sections 52 and 52-a,  
8 Article III, and Section 59, Article XVI, Texas Constitution, and  
9 other powers granted under this chapter.

10 (c) The creation of the district is in the public interest  
11 and is essential to:

12 (1) further the public purposes of developing and  
13 diversifying the economy of the state;

14 (2) eliminate unemployment and underemployment; and

15 (3) develop or expand transportation and commerce.

16 (d) Each improvement project or service authorized by this  
17 chapter is essential to carry out a public purpose and will benefit:

18 (1) all land and property in the district;

19 (2) the employees, employers, and consumers of the  
20 district; and

21 (3) the public.

22 (e) The district will:

23 (1) promote the health, safety, and general welfare of  
24 residents, employers, employees, visitors, and consumers in the  
25 district, and of the public;

26 (2) provide needed funding for the City of Frisco's  
27 central business area extension to the west to:

28 (A) preserve, maintain, and enhance the economic  
29 health and vitality of the area as a community and business center;  
30 and

31 (B) provide a government center for the city;

32 (3) promote the health, safety, and general welfare of  
33 residents, employers, employees, visitors, and consumers in the  
34 district, and of the public by providing, maintaining, and

1 operating:

2 (A) attractive, safe, and convenient street and  
3 road improvements;

4 (B) off-street parking facilities; and

5 (C) necessary water, sewer, and drainage  
6 facilities to serve the area within the district; and

7 (4) promote the health, safety, welfare, and enjoyment  
8 of the public by providing pedestrian ways, parks, and off-street  
9 parking and by landscaping and developing certain areas in the  
10 district, which are necessary for the restoration, preservation,  
11 and enhancement of scenic and aesthetic beauty.

12 (f) Pedestrian ways along or across a street, at grade or  
13 above or below the surface, and street lighting, street  
14 landscaping, and street art objects are parts of and necessary  
15 components of a street and are considered to be a street or road  
16 improvement.

17 (g) The district will not act as the agent or  
18 instrumentality of any private interest even though the district  
19 will benefit many private interests as well as the public. (Loc.  
20 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1384.)

21 Source Law

22 Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC  
23 PURPOSE. (a) All the land and other property  
24 included in the district will be benefited by the  
25 improvements and services to be provided by the  
26 district under powers conferred by Sections 52 and  
27 52-a, Article III, and Section 59, Article XVI, Texas  
28 Constitution, and other powers granted under this  
29 subchapter, and the district is created to serve a  
30 public use and benefit.

31 (b) The creation of the district is in the  
32 public interest and is essential to:

33 (1) further the public purposes of the  
34 development and diversification of the economy of the  
35 state; and

36 (2) eliminate unemployment and  
37 underemployment and develop or expand transportation  
38 and commerce.

39 (c) The district will:

40 (1) promote the health, safety, and  
41 general welfare of residents, employers, employees,  
42 visitors, consumers in the district, and the general  
43 public;

44 (2) provide needed funding for the  
45 municipality's central business area extension to the  
46 west to preserve, maintain, and enhance the economic

1 health and vitality of the area as a community and  
2 business center and to provide a government center for  
3 the municipality;

4 (3) further promote the health, safety,  
5 and general welfare of residents, employers,  
6 employees, visitors, consumers in the district, and  
7 the general public by providing, maintaining, and  
8 operating attractive, safe, and convenient street and  
9 road improvements and off-street parking facilities  
10 and necessary water, sewer, and drainage facilities to  
11 serve the area within the district; and

12 (4) further promote the health, safety,  
13 welfare, and enjoyment of the public by providing  
14 pedestrian ways, parks, and off-street parking and by  
15 landscaping and developing certain areas in the  
16 district, which are necessary for the restoration,  
17 preservation, and enhancement of scenic and aesthetic  
18 beauty.

19 (d) Pedestrian ways along or across a street, at  
20 grade or above or below the surface, and street  
21 lighting, street landscaping, and street art objects  
22 are parts of and necessary components of a street and  
23 are considered to be a street or road improvement.

24 (e) The district will not act as the agent or  
25 instrumentality of any private interest, even though  
26 many private interests will be benefited by the  
27 district, as will the general public.

28 (f) Each improvement project or service  
29 authorized by this subchapter is essential to carry  
30 out a public purpose and will benefit all land and  
31 property in the district, the employees, employers,  
32 and consumers of the district, and the general public.

33 Revised Law

34 Sec. 3816.005. DISTRICT TERRITORY. (a) The district is  
35 composed of the territory described by Section 1, Chapter 1384,  
36 Acts of the 77th Legislature, Regular Session, 2001, enacting  
37 former Section 376.454, Local Government Code, as that territory  
38 may have been modified under:

39 (1) Section 3816.107 or its predecessor statute,  
40 former Section 376.466, Local Government Code, as added by Chapter  
41 1384, Acts of the 77th Legislature, Regular Session, 2001;

42 (2) Subchapter J, Chapter 49, Water Code; or

43 (3) other law.

44 (b) The boundaries and field notes of the district contained  
45 in Section 1, Chapter 1384, Acts of the 77th Legislature, Regular  
46 Session, 2001, enacting former Section 376.454, Local Government  
47 Code, form a closure. A mistake in the field notes or in copying the  
48 field notes in the legislative process does not affect the  
49 district's:

50 (1) organization, existence, or validity;

1 (2) right to issue any type of bond or other obligation  
2 for a purpose for which the district is created or to pay the  
3 principal of and interest on the bond;

4 (3) right to impose or collect an assessment or tax; or

5 (4) legality or operation. (Loc. Gov. Code, Sec.  
6 376.455, as added Acts 77th Leg., R.S., Ch. 1384; New.)

7 Source Law

8 Sec. 376.455. FINDINGS RELATING TO  
9 BOUNDARIES. The boundaries and field notes of the  
10 district form a closure. If a mistake is made in the  
11 field notes or in copying the field notes in the  
12 legislative process, it does not affect the  
13 district's:

- 14 (1) organization, existence, or validity;  
15 (2) right to issue any type of bond or  
16 other obligation for the purposes for which the  
17 district is created or to pay the principal of and  
18 interest on a bond;  
19 (3) right to impose or collect assessments  
20 or taxes; or  
21 (4) legality or operation.

22 Revisor's Note

23 The revision of the law governing the Frisco  
24 Square Management District does not revise the  
25 statutory language describing the territory of the  
26 district to avoid the lengthy recitation of the  
27 description and because that description may not be  
28 accurate on the effective date of the revision or at  
29 the time of a later reading. For the reader's  
30 convenience, the revised law includes a reference to  
31 the statutory description of the district's territory  
32 and references to statutory authority to change the  
33 district's territory under Section 376.466, Local  
34 Government Code, as added by Chapter 1384, Acts of the  
35 77th Legislature, Regular Session, 2001 (revised in  
36 this chapter as Section 3816.107), and under  
37 Subchapter J, Chapter 49, Water Code, which applies to  
38 the district under Section 49.001, Water Code. The  
39 revised law also includes a reference to the general  
40 authority of the legislature to enact other laws to

1 change the district's territory.

2 Revised Law

3 Sec. 3816.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
4 ZONES. (a) All or any part of the area of the district is  
5 eligible, regardless of other statutory criteria, to be included  
6 in:

7 (1) a tax increment reinvestment zone created by the  
8 City of Frisco under Chapter 311, Tax Code; or

9 (2) a tax abatement reinvestment zone created by the  
10 City of Frisco under Chapter 312, Tax Code.

11 (b) All or any part of the area of the district is eligible  
12 to be nominated for inclusion in an enterprise zone by the City of  
13 Frisco under Chapter 2303, Government Code. (Loc. Gov. Code, Sec.  
14 376.463(f), as added Acts 77th Leg., R.S., Ch. 1384.)

15 Source Law

16 (f) All or any part of the area of the district  
17 is eligible, notwithstanding other statutory  
18 criteria, to be included in a tax increment  
19 reinvestment zone created by the municipality under  
20 Chapter 311, Tax Code, or included in a tax abatement  
21 reinvestment zone created by the municipality under  
22 Chapter 312, Tax Code. All or any part of the district  
23 is also eligible to be included in an enterprise zone  
24 established by the municipality under Chapter 2303,  
25 Government Code.

26 Revisor's Note

27 Section 376.463(f), Local Government Code, as  
28 added by Chapter 1384, Acts of the 77th Legislature,  
29 Regular Session, 2001, provides that any part of the  
30 area of the Frisco Square Management District is  
31 "eligible to be included in an enterprise zone  
32 established by the municipality [meaning the City of  
33 Frisco] under Chapter 2303, Government Code." Under  
34 that chapter, a municipality or county may nominate as  
35 an enterprise zone an area within its jurisdiction  
36 that meets the criteria prescribed by that chapter.  
37 The revised law is drafted accordingly.

1 Revised Law

2 Sec. 3816.007. APPLICABILITY OF OTHER LAW. Except as  
3 otherwise provided by this chapter, Chapter 375, Local Government  
4 Code, applies to the district, the board, and district employees.  
5 (Loc. Gov. Code, Sec. 376.457(a), as added Acts 77th Leg., R.S., Ch.  
6 1384.)

7 Source Law

8 Sec. 376.457. APPLICATION OF OTHER LAW. (a)  
9 Except as otherwise provided by this subchapter:

10 (1) Chapter 375 applies to the district,  
11 its governing body, and its employees; and

12 (2) the district has the rights and powers  
13 of a district created under Chapter 375.

14 Revised Law

15 Sec. 3816.008. RELATION TO OTHER LAW. This chapter  
16 prevails over a law to which this chapter refers that is in conflict  
17 with or is inconsistent with this chapter. (Loc. Gov. Code, Sec.  
18 376.457(b) (part), as added Acts 77th Leg., R.S., Ch. 1384.)

19 Source Law

20 (b) If any provision of a law referenced in this  
21 subchapter is in conflict with or is inconsistent with  
22 this subchapter, this subchapter prevails. . . .

23 Revisor's Note

24 Section 376.457(b), Local Government Code, as  
25 added by Chapter 1384, Acts of the 77th Legislature,  
26 Regular Session, 2001, provides for the adoption and  
27 incorporation by reference of laws to which Subchapter  
28 K, Chapter 376, Local Government Code, as added by  
29 Chapter 1384, Acts of the 77th Legislature, Regular  
30 Session, 2001, refers. The revised law omits the  
31 provision as unnecessary. Because this chapter  
32 references the laws that apply to the district, it is  
33 not necessary to duplicate the substance of those laws  
34 in this section by means of adoption and  
35 incorporation. The omitted law reads:

36 (b) . . . Any law referenced in this  
37 subchapter that is not in conflict or  
38 inconsistent with this subchapter is  
39 adopted and incorporated by reference.

1 Revised Law

2 Sec. 3816.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
3 chapter shall be liberally construed in conformity with the  
4 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
5 376.458, as added Acts 77th Leg., R.S., Ch. 1384.)

6 Source Law

7 Sec. 376.458. LIBERAL CONSTRUCTION OF  
8 SUBCHAPTER. This subchapter shall be liberally  
9 construed in conformity with the findings and purposes  
10 stated in this subchapter.

11 [Sections 3816.010-3816.050 reserved for expansion]

12 SUBCHAPTER B. BOARD OF DIRECTORS

13 Revised Law

14 Sec. 3816.051. BOARD OF DIRECTORS. The district is  
15 governed by a board of five directors appointed under Section  
16 3816.052 and three directors serving ex officio under Section  
17 3816.053. (Loc. Gov. Code, Sec. 376.459(a) (part), as added Acts  
18 77th Leg., R.S., Ch. 1384.)

19 Source Law

20 Sec. 376.459. BOARD OF DIRECTORS IN  
21 GENERAL. (a) The district is governed by a board of  
22 five appointed directors and three members serving ex  
23 officio. . . .

24 Revisor's Note

25 Section 376.459(b), Local Government Code, as  
26 added by Chapter 1384, Acts of the 77th Legislature,  
27 Regular Session, 2001, states that a position on the  
28 board is not a civil office of emolument. The revised  
29 law omits this provision because it substantively  
30 duplicates Section 375.069, Local Government Code.  
31 Section 376.457(a), Local Government Code, as added by  
32 Chapter 1384, Acts of the 77th Legislature, Regular  
33 Session, 2001 (revised in this chapter as Section  
34 3816.007), provides that Chapter 375, Local Government  
35 Code, applies to the district. Therefore, it is not  
36 necessary to revise statutes that duplicate provisions  
37 in that chapter. The omitted law reads:

1 (b) A position on the board shall not  
2 be construed to be a civil office of  
3 emolument for any purpose, including a  
4 purpose described in Section 40, Article  
5 XVI, Texas Constitution.

6 Revised Law

7 Sec. 3816.052. APPOINTED DIRECTORS. (a) The governing  
8 body of the City of Frisco shall appoint directors who meet the  
9 qualifications of Subchapter D, Chapter 375, Local Government Code.

10 (b) The appointed directors serve staggered terms of four  
11 years, with two directors' terms expiring July 1 of an odd-numbered  
12 year and three directors' terms expiring July 1 of the following  
13 odd-numbered year.

14 (c) Notwithstanding the common law doctrine of  
15 incompatibility, members of the governing body of the City of  
16 Frisco may be appointed to the board. The term of a director who is  
17 also a member of the governing body of the City of Frisco expires  
18 when the member's term on the governing body expires. The person  
19 may be reappointed to the board to complete the unexpired term on  
20 the board.

21 (d) A person may not be appointed to the board if the  
22 appointment of that person would result in fewer than three of the  
23 directors residing in the City of Frisco.

24 (e) The governing body of the City of Frisco shall appoint a  
25 director to fill a vacancy that occurs on the board.

26 (f) District directors are public officials entitled to  
27 governmental immunity for their official actions. (Loc. Gov. Code,  
28 Secs. 376.459(a) (part), 376.460(a), (b), (c), (d), as added Acts  
29 77th Leg., R.S., Ch. 1384.)

30 Source Law

31 [Sec. 376.459]

32 (a) . . . The appointed members serve  
33 staggered terms of four years, with two directors'  
34 terms expiring July 1 of an odd-numbered year and three  
35 directors' terms expiring July 1 of the following  
36 odd-numbered year.

37 Sec. 376.460. APPOINTMENT OF  
38 DIRECTORS. (a) The governing body of the  
39 municipality shall appoint successor directors who  
40 meet the qualifications of Subchapter D, Chapter 375.

1 The governing body of the municipality shall appoint a  
2 director to fill a vacancy on the board.

3 (b) Notwithstanding the common law doctrine of  
4 incompatibility, members of the governing body of the  
5 municipality may be appointed to the board. The term  
6 of a director who is also a member of the governing  
7 body of the municipality shall expire when the member's  
8 term on the governing body of the municipality  
9 expires, provided that the person may be reappointed  
10 to the board of directors to complete the unexpired  
11 term on the board.

12 (c) A person may not be appointed to the board if  
13 the appointment of that person would result in fewer  
14 than three of the directors residing in the  
15 municipality.

16 (d) District directors are public officials  
17 entitled to governmental immunity for their official  
18 actions.

19 Revisor's Note

20 Section 376.460(e), Local Government Code, as  
21 added by Chapter 1384, Acts of the 77th Legislature,  
22 Regular Session, 2001, refers to the process for  
23 removing a director. The revised law omits this  
24 provision because it substantively duplicates Section  
25 375.065, Local Government Code. Section 376.457(a),  
26 Local Government Code, as added by Chapter 1384, Acts  
27 of the 77th Legislature, Regular Session, 2001  
28 (revised in this chapter as Section 3816.007),  
29 provides that Chapter 375, Local Government Code,  
30 applies to the district. Therefore, it is not  
31 necessary to revise statutes that duplicate provisions  
32 in that chapter. The omitted law reads:

33 (e) The governing body of the  
34 municipality after notice and hearing may  
35 remove a director for misconduct or failure  
36 to carry out the director's duties on a  
37 petition by a majority of the remaining  
38 directors.

39 Revised Law

40 Sec. 3816.053. EX OFFICIO DIRECTORS. (a) The following  
41 persons serve as nonvoting ex officio directors:

- 42 (1) the manager of the City of Frisco;  
43 (2) the financial director of the City of Frisco; and  
44 (3) the planning director of the City of Frisco.

45 (b) If an office described by Subsection (a) is renamed,

1 changed, or abolished, the governing body of the City of Frisco may  
2 appoint another city officer or employee who performs duties  
3 comparable to those performed by the officer described by  
4 Subsection (a). (Loc. Gov. Code, Sec. 376.461, as added Acts 77th  
5 Leg., R.S., Ch. 1384.)

6 Source Law

7 Sec. 376.461. EX OFFICIO BOARD  
8 MEMBERS. (a) The following persons shall serve ex  
9 officio as nonvoting directors:

- 10 (1) the manager of the municipality;  
11 (2) the financial director of the  
12 municipality; and  
13 (3) the planning director of the  
14 municipality.

15 (b) If any of the offices described in  
16 Subsection (a) are renamed, changed, or abolished,  
17 the governing body of the municipality may appoint  
18 another officer or employee of the municipality that  
19 performs duties comparable to those performed by the  
20 officer described in Subsection (a).

21 Revised Law

22 Sec. 3816.054. CONFLICTS OF INTEREST. (a) Except as  
23 provided by Section 3816.053 or this section:

24 (1) a director may participate in all board votes and  
25 decisions; and

26 (2) Chapter 171, Local Government Code, governs  
27 conflicts of interest of board members.

28 (b) Section 171.004, Local Government Code, does not apply  
29 to the district. A director who has a substantial interest in a  
30 business or charitable entity that will receive a pecuniary benefit  
31 from a board action shall file an affidavit with the board secretary  
32 declaring the interest. Another affidavit is not required if the  
33 director's interest changes.

34 (c) After the affidavit is filed, the director may  
35 participate in a discussion or vote on that action if:

36 (1) a majority of the directors have a similar  
37 interest in the same entity;

38 (2) all other similar business or charitable entities  
39 in the district will receive a similar pecuniary benefit; or

40 (3) the director is a property owner in the district.

1 (d) A director who is also an officer or employee of a public  
2 entity may not participate in a discussion of or vote on a matter  
3 regarding a contract with that same public entity.

4 (e) For purposes of this section, a director has a  
5 substantial interest in a charitable entity in the same manner that  
6 a person would have a substantial interest in a business entity  
7 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
8 Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1384.)

9 Source Law

10 Sec. 376.462. CONFLICTS OF INTEREST; ONE-TIME  
11 AFFIDAVIT. (a) Except as provided by Section 376.461  
12 or this section:

13 (1) a director may participate in all  
14 board votes and decisions; and

15 (2) Chapter 171 governs conflicts of  
16 interest for board members.

17 (b) Section 171.004 does not apply to the  
18 district. A director who has a substantial interest in  
19 a business or charitable entity that will receive a  
20 pecuniary benefit from a board action shall file a  
21 one-time affidavit declaring the interest. An  
22 additional affidavit is not required if the director's  
23 interest changes. After the affidavit is filed with  
24 the board secretary, the director may participate in a  
25 discussion or vote on that action if:

26 (1) a majority of the directors have a  
27 similar interest in the same entity;

28 (2) all other similar business or  
29 charitable entities in the district will receive a  
30 similar pecuniary benefit; or

31 (3) the director is a property owner in the  
32 district.

33 (c) A director who is also an officer or  
34 employee of a public entity may not participate in the  
35 discussion of or vote on a matter regarding a contract  
36 with that same public entity.

37 (d) For purposes of this section, a director has  
38 a substantial interest in a charitable entity in the  
39 same manner that a person would have a substantial  
40 interest in a business entity under Section 171.002.

41 [Sections 3816.055-3816.100 reserved for expansion]

42 SUBCHAPTER C. POWERS AND DUTIES

43 Revised Law

44 Sec. 3816.101. DISTRICT POWERS. (a) The district has all  
45 powers necessary to accomplish the purposes for which the district  
46 was created.

47 (b) The district may exercise the powers given to:

48 (1) a corporation created under Section 4B,  
49 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas

1 Civil Statutes); or

2 (2) a housing finance corporation created under  
3 Chapter 394, Local Government Code, to provide housing or  
4 residential development projects in the district. (Loc. Gov. Code,  
5 Secs. 376.463(a), (b), (c), as added Acts 77th Leg., R.S., Ch.  
6 1384.)

7 Source Law

8 Sec. 376.463. POWERS OF DISTRICT. (a) The  
9 district has all of the powers necessary or required to  
10 accomplish the purposes for which the district was  
11 created.

12 (b) The district may exercise the powers given  
13 to a corporation created under Section 4B, Development  
14 Corporation Act of 1979 (Article 5190.6, Vernon's  
15 Texas Civil Statutes).

16 (c) The district may exercise the powers given  
17 to a housing finance corporation created under Chapter  
18 394 to provide housing or residential development  
19 projects in the district.

20 Revisor's Note

21 Section 376.463(a), Local Government Code, as  
22 added by Chapter 1384, Acts of the 77th Legislature,  
23 Regular Session, 2001, refers to powers "necessary or  
24 required" to accomplish the purposes of the district.  
25 The revised law omits "required" because, in this  
26 context, it is included in the meaning of "necessary."

27 Revised Law

28 Sec. 3816.102. NONPROFIT CORPORATION. (a) The board by  
29 resolution may authorize the creation of a nonprofit corporation to  
30 assist and act for the district in implementing a project or  
31 providing a service authorized by this chapter.

32 (b) The nonprofit corporation:

33 (1) has each power of and is considered for purposes of  
34 this chapter to be a local government corporation created under  
35 Chapter 431, Transportation Code; and

36 (2) may implement any project and provide any service  
37 authorized by this chapter.

38 (c) The board shall appoint the board of directors of the  
39 nonprofit corporation. The board of directors of the nonprofit

1 corporation shall serve in the same manner as, for the same term as,  
2 and on the conditions of the board of directors of a local  
3 government corporation created under Chapter 431, Transportation  
4 Code. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th Leg., R.S.,  
5 Ch. 1384.)

6 Source Law

7 Sec. 376.465. NONPROFIT CORPORATION. (a) The  
8 board by resolution may authorize the creation of a  
9 nonprofit corporation to assist and act on behalf of  
10 the district in implementing a project or providing a  
11 service authorized by this subchapter.

12 (b) The board shall appoint the board of  
13 directors of a nonprofit corporation created under  
14 this section. The board of directors of the nonprofit  
15 corporation shall serve in the same manner, term, and  
16 conditions as a board of directors of a local  
17 government corporation created under Chapter 431,  
18 Transportation Code.

19 (c) A nonprofit corporation created under this  
20 section has the powers of and is considered for  
21 purposes of this subchapter to be a local government  
22 corporation created under Chapter 431, Transportation  
23 Code.

24 (d) A nonprofit corporation created under this  
25 section may implement any project and provide any  
26 service authorized by this subchapter.

27 Revised Law

28 Sec. 3816.103. AGREEMENTS; GRANTS; DONATIONS. (a) The  
29 district may enter into an agreement with or accept a donation,  
30 grant, or loan from any person.

31 (b) A municipality, county, or other political subdivision  
32 of this state, without further authorization, may contract with the  
33 district for:

34 (1) the acquisition, construction, improvement,  
35 implementation, maintenance, and operation of a district project;  
36 or

37 (2) the provision of a service authorized under this  
38 chapter.

39 (c) A contract under Subsection (b) may:

40 (1) be for a period and include terms on which the  
41 parties agree;

42 (2) be payable from taxes or any other source of  
43 revenue that may be available for that purpose; and

1 (3) provide terms under which taxes or other revenues  
2 collected at a district project or from a person using or purchasing  
3 a commodity or service at a district project may be paid or rebated  
4 to the district.

5 (d) The implementation of a project is a governmental  
6 function or service for the purposes of Chapter 791, Government  
7 Code. (Loc. Gov. Code, Secs. 376.464(a), (b), (c), as added Acts  
8 77th Leg., R.S., Ch. 1384.)

9 Source Law

10 Sec. 376.464. AGREEMENTS. (a) The district  
11 may make an agreement with or accept a donation, grant,  
12 or loan from any person.

13 (b) A municipality, county, or other political  
14 subdivision of the state, without further  
15 authorization, may contract with the district for the  
16 acquisition, construction, improvement,  
17 implementation, maintenance, and operation of a  
18 project of the district or for providing the services  
19 authorized under this subchapter. A contract under  
20 this subsection may:

21 (1) be for a period and include terms on  
22 which the parties agree;

23 (2) be payable from taxes or any other  
24 source of revenue that may be available for such  
25 purpose; and

26 (3) provide that taxes or other revenues  
27 collected at a district project or from a person using  
28 or purchasing a commodity or service at a district  
29 project may be paid or rebated to the district under  
30 the terms of the contract.

31 (c) The implementation of a project is a  
32 governmental function or service for the purposes of  
33 Chapter 791, Government Code.

34 Revised Law

35 Sec. 3816.104. AUTHORITY TO CONTRACT FOR LAW  
36 ENFORCEMENT. To protect the public interest, the district may  
37 contract with the City of Frisco for the city to provide law  
38 enforcement services in the district for a fee. (Loc. Gov. Code,  
39 Sec. 376.464(d), as added Acts 77th Leg., R.S., Ch. 1384.)

40 Source Law

41 (d) To protect the public interest, the district  
42 may contract with the municipality for the  
43 municipality to provide law enforcement services in  
44 the district for a fee.

45 Revised Law

46 Sec. 3816.105. COMPETITIVE BIDDING. Section 375.221,  
47 Local Government Code, does not apply to a district contract for

1 \$25,000 or less. (Loc. Gov. Code, Sec. 376.475, as added Acts 77th  
2 Leg., R.S., Ch. 1384.)

3 Source Law

4 Sec. 376.475. COMPETITIVE BIDDING  
5 LIMIT. Section 375.221 does not apply to the district  
6 unless the contract is for more than \$25,000.

7 Revised Law

8 Sec. 3816.106. APPROVAL OF CERTAIN IMPROVEMENT  
9 PROJECTS. (a) Except as provided by Subsection (b), the district  
10 must obtain the approval of the City of Frisco's governing body:

11 (1) for the issuance of a bond for each improvement  
12 project;

13 (2) of the plans and specifications of an improvement  
14 project financed by the bond; and

15 (3) of the plans and specifications of a district  
16 improvement project related to the use of land owned by the City of  
17 Frisco, an easement granted by the City of Frisco, or a right-of-way  
18 of a street, road, or highway.

19 (b) If the district obtains the approval of the City of  
20 Frisco's governing body of a capital improvements budget for a  
21 period not to exceed five years, the district may finance the  
22 capital improvements and issue bonds specified in the budget  
23 without the further approval of the city. (Loc. Gov. Code, Secs.  
24 376.473(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1384.)

25 Source Law

26 Sec. 376.473. MUNICIPAL APPROVAL. (a) Except  
27 as provided by Subsection (b), the district must  
28 obtain from the municipality's governing body approval  
29 of:

30 (1) the issuance of bonds for an  
31 improvement project; and

32 (2) the plans and specifications of an  
33 improvement project financed by the bonds.

34 (b) If the district obtains approval from the  
35 municipality's governing body of a capital  
36 improvements budget for a period not to exceed five  
37 years, the district may finance the capital  
38 improvements and issue bonds specified in the budget  
39 without further approval from the municipality.

40 (c) The district must obtain approval from the  
41 municipality's governing body of the plans and  
42 specifications of any district improvement project  
43 related to the use of land owned by the municipality,  
44 an easement granted by the municipality, or a

1 right-of-way of a street, road, or highway.

2 Revised Law

3 Sec. 3816.107. ANNEXATION. In addition to the authority to  
4 annex territory under Subchapter C, Chapter 375, Local Government  
5 Code, the district has the authority to annex territory located in a  
6 reinvestment zone created by the City of Frisco under Chapter 311,  
7 Tax Code, if the city's governing body consents to the annexation.  
8 (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S., Ch.  
9 1384.)

10 Source Law

11 Sec. 376.466. ANNEXATION. The district may:  
12 (1) annex territory as provided by  
13 Subchapter C, Chapter 375; and  
14 (2) annex territory located inside the  
15 boundaries of a reinvestment zone created by the  
16 municipality under Chapter 311, Tax Code, if the  
17 governing body of the municipality consents to the  
18 annexation.

19 [Sections 3816.108-3816.150 reserved for expansion]

20 SUBCHAPTER D. FINANCIAL PROVISIONS

21 Revised Law

22 Sec. 3816.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
23 IMPROVEMENTS. (a) The board may not finance a service or an  
24 improvement project under this chapter unless a written petition  
25 requesting that service or improvement is filed with the board.

26 (b) The petition must be signed by:

27 (1) the owners of a majority of the assessed value of  
28 real property in the district according to the most recent  
29 certified tax appraisal roll for Collin County; or

30 (2) at least 25 owners of land in the district, if more  
31 than 25 persons own property in the district according to the most  
32 recent certified property tax appraisal roll for Collin County.

33 (Loc. Gov. Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch.  
34 1384.)

35 Source Law

36 Sec. 376.467. PETITION REQUIRED FOR FINANCING  
37 SERVICES AND IMPROVEMENTS. The board may not finance  
38 a service or improvement project under this subchapter  
39 unless a written petition requesting the improvement  
40 or service has been filed with the board. The petition

1 must be signed by:

2 (1) the owners of a majority of the  
3 assessed value of real property in the district as  
4 determined by the most recent certified county  
5 property tax rolls; or

6 (2) at least 25 persons who own land in the  
7 district, if there are more than 25 persons who own  
8 property in the district as determined by the most  
9 recent certified county property tax rolls.

10 Revisor's Note

11 Section 376.467, Local Government Code, as added  
12 by Chapter 1384, Acts of the 77th Legislature, Regular  
13 Session, 2001, refers to "the most recent certified  
14 [Collin] county property tax rolls." The revised law  
15 substitutes a reference to "the most recent certified  
16 tax appraisal roll for Collin County" to conform to the  
17 terminology of Title 1, Tax Code, including Section  
18 26.01 of that code, requiring the chief appraiser of an  
19 appraisal district to certify to the tax assessor of  
20 each taxing unit that has property in the appraisal  
21 district an appraisal roll that lists the properties  
22 taxable by that taxing unit and the value of those  
23 properties.

24 Revised Law

25 Sec. 3816.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
26 board by resolution shall establish the number of directors'  
27 signatures and the procedure required for a disbursement or  
28 transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as  
29 added Acts 77th Leg., R.S., Ch. 1384.)

30 Source Law

31 Sec. 376.474. DISBURSEMENTS OR TRANSFERS OF  
32 FUNDS. The board by resolution shall establish the  
33 number of directors' signatures and the procedure  
34 required for a disbursement or transfer of the  
35 district's money.

36 Revised Law

37 Sec. 3816.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
38 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
39 tax, assessment, or impact fee as provided by Chapter 375, Local  
40 Government Code, on all property in the district, including

1 industrial, commercial, or residential property, and may impose an  
2 assessment on municipal property in the district to:

3 (1) finance or provide an improvement or service for a  
4 project or activity this chapter authorizes the district to  
5 construct, acquire, or improve; or

6 (2) provide or to make a payment under a contract.  
7 (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts 77th Leg.,  
8 R.S., Ch. 1384.)

9 Source Law

10 (d) The district may impose an ad valorem tax,  
11 assessment, or impact fee in accordance with Chapter  
12 375 on all property in the district, including  
13 industrial, commercial, or residential property, and  
14 may impose an assessment on municipal property in the  
15 district to finance or provide improvements and  
16 services for a project or activity this subchapter  
17 authorizes the district to construct, acquire,  
18 improve, or provide or to make payments under a  
19 contract. . . .

20 Revised Law

21 Sec. 3816.154. MAINTENANCE TAX. (a) If authorized at an  
22 election held in accordance with Section 3816.159, the district may  
23 impose an annual ad valorem tax on taxable property in the district  
24 to:

25 (1) maintain and operate the district and the  
26 improvements constructed or acquired by the district; or

27 (2) provide a service.

28 (b) The board shall determine the tax rate. (Loc. Gov.  
29 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1384.)

30 Source Law

31 Sec. 376.469. MAINTENANCE TAX. (a) If  
32 authorized in accordance with Section 376.468, the  
33 district may impose and collect an annual ad valorem  
34 tax on taxable property in the district for the  
35 maintenance and operation of the district and the  
36 improvements constructed or acquired by the district  
37 or for the provision of services.

38 (b) The board shall determine the tax rate.

39 Revisor's Note

40 Section 376.469, Local Government Code, as added  
41 by Chapter 1384, Acts of the 77th Legislature, Regular  
42 Session, 2001, provides that the district may "impose

1 and collect" an ad valorem tax. The revised law omits  
2 "and collect" because "impose" is the term generally  
3 used in Title 1, Tax Code, and includes the collection  
4 of an ad valorem tax.

5 Revised Law

6 Sec. 3816.155. CONTRACTS SECURED BY AD VALOREM TAXES. A  
7 contract for which the payments are secured wholly or partly by ad  
8 valorem taxes may not be executed unless the imposition of the ad  
9 valorem taxes to secure the payment of the contract is approved by a  
10 majority, or a larger percentage if constitutionally required, of  
11 the voters in the district voting at an election held for that  
12 purpose. (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts  
13 77th Leg., R.S., Ch. 1384.)

14 Source Law

15 (d) . . . A contract for which the payments are  
16 secured wholly or partly from ad valorem taxes may not  
17 be executed unless the imposition of the ad valorem  
18 taxes to secure the payment of the contract is approved  
19 by a majority, or a larger percentage if  
20 constitutionally required, of the qualified voters in  
21 the district voting at an election held for that  
22 purpose.

23 Revisor's Note

24 Section 376.463(d), Local Government Code, as  
25 added by Chapter 1384, Acts of the 77th Legislature,  
26 Regular Session, 2001, refers to a majority vote of the  
27 "qualified voters in the district." The revised law  
28 omits the term "qualified" as unnecessary in this  
29 context because Chapter 11, Election Code, governs  
30 eligibility to vote in an election in this state and  
31 allows only "qualified" voters to vote in an election.

32 Revised Law

33 Sec. 3816.156. ASSESSMENTS. (a) The board by resolution  
34 may impose and collect an assessment for any purpose authorized by  
35 this chapter.

36 (b) The district may impose an assessment against any  
37 property of the City of Frisco in the district. Payment of an

1 assessment by another exempt jurisdiction must be established by  
2 contract.

3 (c) The board may apportion the cost of an improvement  
4 project or service to be assessed against property in the district  
5 on all property in the district according to a finding of the board  
6 that the improvement project or service benefits all property in  
7 the district.

8 (d) The board may include two or more types of improvements  
9 and services in one assessment proceeding. The board may conduct  
10 separate assessment proceedings as the district undertakes  
11 improvement projects or the provision of services.

12 (e) The board may adjust annual assessments for services in  
13 accordance with an annual budget the board adopts for the provision  
14 of those services. An annual adjustment may not exceed the annual  
15 amount set forth in the original assessment proceedings except  
16 after public notice and hearing on the increase.

17 (f) The board, after notice and hearing as provided by  
18 Subchapter F, Chapter 375, Local Government Code, may:

19 (1) correct, add to, or delete assessments from its  
20 assessment rolls; and

21 (2) collect assessments after making the corrections,  
22 additions, or deletions. (Loc. Gov. Code, Secs. 376.463(e),  
23 376.470, as added Acts 77th Leg., R.S., Ch. 1384.)

24 Source Law

25 [Sec. 376.463]

26 (e) The district may correct, add to, or delete  
27 assessments from its assessment rolls and collect  
28 assessments after such corrections, additions, or  
29 deletions after notice and hearing as provided by  
30 Subchapter F, Chapter 375.

31 Sec. 376.470. ASSESSMENTS. (a) The board may  
32 impose and collect an assessment for any purpose  
33 authorized by this subchapter.

34 (b) The district may impose assessments against  
35 any municipal property in the district. Payment of  
36 assessments by other exempt jurisdictions must be  
37 established by contract.

38 (c) The board may apportion the cost of an  
39 improvement project or services to be assessed against  
40 property in the district on all property in the  
41 district according to a finding of the board that the  
42 improvement project or services benefit all of the

1 property in the district.

2 (d) The board may include two or more types of  
3 improvements and services in one assessment  
4 proceeding. The board may conduct separate assessment  
5 proceedings as the district undertakes improvement  
6 projects or the provision of services.

7 (e) The board may adjust annual assessments for  
8 services in accordance with an annual budget the board  
9 adopts for the provision of those services. An annual  
10 adjustment may not exceed the annual amount set forth  
11 in the original assessment proceedings except after  
12 public notice and hearing on the increase.

13 Revised Law

14 Sec. 3816.157. LIENS FOR ASSESSMENTS. (a) An assessment,  
15 including an assessment resulting from an addition to or correction  
16 of the assessment roll by the district, a reassessment, penalties  
17 and interest on an assessment or reassessment, an expense of  
18 collection, and reasonable attorney's fees incurred by the  
19 district:

20 (1) are a first and prior lien against the property  
21 assessed;

22 (2) are superior to any other lien or claim other than  
23 a lien or claim for county, school district, or municipal ad valorem  
24 taxes; and

25 (3) are the personal liability of and a charge against  
26 the owners of the property even if the owners are not named in the  
27 assessment proceeding.

28 (b) The lien is effective from the date of the board's  
29 resolution imposing the assessment until the date the assessment is  
30 paid. The board may enforce the lien in the same manner that the  
31 board may enforce an ad valorem tax lien against real property.  
32 (Loc. Gov. Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch.  
33 1384.)

34 Source Law

35 Sec. 376.471. ASSESSMENT LIEN. (a)  
36 Assessments, including assessments resulting from an  
37 addition to or correction of the assessment roll by the  
38 district, reassessments, penalties and interest on an  
39 assessment or reassessment, expenses of collection,  
40 and reasonable attorney's fees incurred by the  
41 district:

42 (1) are a first and prior lien against the  
43 property assessed;

44 (2) are superior to any other lien or claim  
45 other than a lien or claim for county, school district,

1 or municipal ad valorem taxes; and  
2 (3) are the personal liability of and  
3 charge against the owners of the property even if the  
4 owners are not named in the assessment proceedings.

5 (b) A lien under this section is effective from  
6 the date of the resolution of the board imposing the  
7 assessment until the assessment is paid. The board may  
8 enforce the lien in the same manner that the board may  
9 enforce an ad valorem tax lien against real property.

10 Revised Law

11 Sec. 3816.158. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
12 IMPACT FEES. The district may not impose an assessment or impact  
13 fee on the property of a person that provides gas, electricity,  
14 telephone, sewage, or water service to the public. (Loc. Gov. Code,  
15 Secs. 376.453(5), 376.472, as added Acts 77th Leg., R.S., Ch.  
16 1384.)

17 Source Law

18 [Sec. 376.453]

19 (5) "Utility" means a person that provides  
20 gas, electricity, telephone, sewage, or water service  
21 to the public.

22 Sec. 376.472. UTILITIES. The district may not  
23 impose an assessment or impact fee on a utility's  
24 property.

25 Revised Law

26 Sec. 3816.159. ELECTIONS REGARDING TAXES OR  
27 BONDS. (a) In addition to the elections required under  
28 Subchapter L, Chapter 375, Local Government Code, the district must  
29 hold an election in the manner provided by that subchapter to obtain  
30 voter approval before the district may:

31 (1) impose a maintenance tax; or

32 (2) issue a bond payable from ad valorem taxes or  
33 assessments.

34 (b) The board may include more than one purpose in a single  
35 proposition at an election.

36 (c) If the district obtains the written consent of all  
37 property owners in the district to impose a maintenance tax or issue  
38 bonds payable from ad valorem taxes or assessments, the district is  
39 exempt from the election requirement under Subsection (a) and may  
40 cancel an election called under Subsection (a). (Loc. Gov. Code,  
41 Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 1384.)



1 in existence solely for the limited purpose of  
2 discharging its debts. The dissolution is effective  
3 when all debts have been discharged.

4 (b) Section 375.264 does not apply to the  
5 district.

6 CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

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31 [Sections 3817.107-3817.150 reserved for expansion]

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8 [Sections 3817.159-3817.200 reserved for expansion]

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12 CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Revised Law

15 Sec. 3817.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the

17 district.

18 (2) "District" means the Aldine Community Improvement

19 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts

20 77th Leg., R.S., Ch. 1433.)

21 Source Law

22 Sec. 376.453. DEFINITIONS. In this subchapter:

23 (1) "Board" means the board of directors

24 of the district.

25 (3) "District" means the Aldine Community

26 Improvement District.

27 Revisor's Note

28 Sections 376.453(2) and (4), Local Government

29 Code, as added by Chapter 1433, Acts of the 77th

30 Legislature, Regular Session, 2001, respectively

31 define "county" as Harris County and "municipality" as

32 the City of Houston. The revised law omits the

33 definitions for ease of understanding. Throughout

34 this chapter, the revised law instead refers to Harris

35 County and the City of Houston, unless the context

1 clearly shows that the term "county" or "municipality"  
2 refers generally to any county or municipality. The  
3 omitted law reads:

4 (2) "County" means Harris  
5 County, Texas.

6 (4) "Municipality" means the  
7 City of Houston, Texas.

8 Revised Law

9 Sec. 3817.002. ALDINE COMMUNITY IMPROVEMENT DISTRICT. The  
10 Aldine Community Improvement District is a special district created  
11 under Section 59, Article XVI, Texas Constitution. (Loc. Gov. Code,  
12 Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1433.)

13 Source Law

14 Sec. 376.451. CREATION OF DISTRICT. (a) The  
15 Aldine Community Improvement District is created as a  
16 special district under Section 59, Article XVI, Texas  
17 Constitution.

18 Revisor's Note

19 Section 376.451(b), Local Government Code, as  
20 added by Chapter 1433, Acts of the 77th Legislature,  
21 Regular Session, 2001, states that the board may  
22 change the name of the district by resolution. The  
23 revised law omits the section because it duplicates  
24 Section 375.096(d), Local Government Code. Section  
25 376.457, Local Government Code, as added by Chapter  
26 1433, Acts of the 77th Legislature, Regular Session,  
27 2001 (revised in this chapter as Section 3817.006),  
28 provides that Chapter 375, Local Government Code,  
29 applies to the district. Therefore, it is not  
30 necessary to revise statutes that duplicate provisions  
31 in that chapter. The omitted law reads:

32 (b) The board by resolution may  
33 change the district's name.

34 Revised Law

35 Sec. 3817.003. PURPOSE; DECLARATION OF INTENT. (a) The  
36 creation of the district is essential to accomplish the purposes of  
37 Sections 52 and 52-a, Article III, and Section 59, Article XVI,

1 Texas Constitution, and other public purposes stated in this  
2 chapter.

3 (b) The creation of the district is necessary to promote,  
4 develop, encourage, and maintain employment, commerce,  
5 transportation, housing, tourism, recreation, the arts,  
6 entertainment, economic development, safety, and the public  
7 welfare in the Aldine Community area of Harris County.

8 (c) This chapter and the creation of the district may not be  
9 interpreted to relieve Harris County from providing the level of  
10 services provided as of June 17, 2001, to the area in the district  
11 or to release the county from the obligations of the county to  
12 provide services to that area. The district is created to  
13 supplement and not to supplant the county services provided in the  
14 area in the district. (Loc. Gov. Code, Sec. 376.452, as added Acts  
15 77th Leg., R.S., Ch. 1433.)

16 Source Law

17 Sec. 376.452. DECLARATION OF INTENT. (a) The  
18 creation of the district is necessary to promote,  
19 develop, encourage, and maintain employment,  
20 commerce, transportation, housing, tourism,  
21 recreation, arts, entertainment, economic  
22 development, safety, and the public welfare in the  
23 Aldine Community area of Harris County.

24 (b) The creation of the district and this  
25 legislation are not to be interpreted to relieve the  
26 county from providing the level of services, as of the  
27 effective date of this subchapter, to the area in the  
28 district or to release the county from the obligations  
29 the entity has to provide services to that area. The  
30 district is created to supplement and not supplant the  
31 county services provided in the area in the district.

32 (c) The creation of the district is essential to  
33 accomplish the purposes of Section 52, Article III,  
34 Section 59, Article XVI, and Section 52-a, Article  
35 III, Texas Constitution, and other public purposes  
36 stated in this subchapter.

37 Revisor's Note

38 Section 376.452(b), Local Government Code, as  
39 added by Chapter 1433, Acts of the 77th Legislature,  
40 Regular Session, 2001, refers to "the effective date  
41 of this subchapter," meaning Subchapter K, Chapter  
42 376, Local Government Code, as added by Chapter 1433,  
43 Acts of the 77th Legislature, Regular Session, 2001,

1 which took effect June 17, 2001. The revised law  
2 substitutes that date for the quoted language.

3 Revised Law

4 Sec. 3817.004. FINDINGS OF BENEFIT AND PUBLIC  
5 PURPOSE. (a) The district is created to serve a public use and  
6 benefit.

7 (b) All land and other property included in the district  
8 will benefit from the improvements and services to be provided by  
9 the district under powers conferred by Sections 52 and 52-a,  
10 Article III, and Section 59, Article XVI, Texas Constitution, and  
11 other powers granted under this chapter.

12 (c) The creation of the district is in the public interest  
13 and is essential to:

14 (1) further the public purposes of developing and  
15 diversifying the economy of the state;

16 (2) eliminate unemployment and underemployment; and

17 (3) develop or expand transportation and commerce.

18 (d) The district will:

19 (1) promote the health, safety, and general welfare of  
20 residents, employers, potential employees, employees, visitors,  
21 and consumers in the district, and of the public;

22 (2) provide needed funding for the Aldine Community  
23 area to preserve, maintain, and enhance the economic health and  
24 vitality of the area as a community and business center; and

25 (3) promote the health, safety, welfare, and enjoyment  
26 of the public by providing pedestrian ways and by landscaping and  
27 developing certain areas in the district, which are necessary for  
28 the restoration, preservation, and enhancement of scenic beauty.

29 (e) Pedestrian ways along or across a street, whether at  
30 grade or above or below the surface, and street lighting, street  
31 landscaping, and street art objects are parts of and necessary  
32 components of a street and are considered to be a street or road  
33 improvement.

34 (f) The district will not act as the agent or

1 instrumentality of any private interest even though the district  
2 will benefit many private interests as well as the public. (Loc.  
3 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1433.)

4 Source Law

5 Sec. 376.456. FINDINGS OF BENEFIT AND PUBLIC  
6 PURPOSE. (a) The district is created to serve a  
7 public use and benefit. All the land and other  
8 property included in the district will be benefited by  
9 the improvements and services to be provided by the  
10 district under powers conferred by Section 52, Article  
11 III, Section 59, Article XVI, and Section 52-a,  
12 Article III, Texas Constitution, and other powers  
13 granted under this subchapter.

14 (b) The creation of the district is in the  
15 public interest and is essential to:

16 (1) further the public purposes of the  
17 development and diversification of the economy of the  
18 state; and

19 (2) eliminate unemployment and  
20 underemployment and develop or expand transportation  
21 and commerce.

22 (c) The district will:

23 (1) promote the health, safety, and  
24 general welfare of residents, employers, potential  
25 employees, employees, visitors, consumers in the  
26 district, and the general public;

27 (2) provide needed funding for the Aldine  
28 Community area to preserve, maintain, and enhance the  
29 economic health and vitality of the area as a community  
30 and business center; and

31 (3) further promote the health, safety,  
32 welfare, and enjoyment of the public by providing  
33 pedestrian ways and by landscaping and developing  
34 certain areas in the district, which are necessary for  
35 the restoration, preservation, and enhancement of  
36 scenic beauty.

37 (d) Pedestrian ways along or across a street,  
38 whether at grade or above or below the surface, and  
39 street lighting, street landscaping, and street art  
40 objects are parts of and necessary components of a  
41 street and are considered to be a street or road  
42 improvement.

43 (e) The district will not act as the agent or  
44 instrumentality of any private interest even though  
45 many private interests will be benefited by the  
46 district, as will the general public.

47 Revised Law

48 Sec. 3817.005. DISTRICT TERRITORY. (a) The district is  
49 composed of the territory described by Section 1, Chapter 1433,  
50 Acts of the 77th Legislature, Regular Session, 2001, enacting  
51 former Section 376.454, Local Government Code, as that territory  
52 may have been modified under:

53 (1) Section 3817.106 or its predecessor statute,  
54 former Section 376.476, Local Government Code, as added by Section

1 1, Chapter 1433, Acts of the 77th Legislature, Regular Session,  
2 2001;

3 (2) Subchapter J, Chapter 49, Water Code; or

4 (3) other law.

5 (b) The boundaries and field notes of the district contained  
6 in Section 1, Chapter 1433, Acts of the 77th Legislature, Regular  
7 Session, 2001, enacting former Section 376.454, Local Government  
8 Code, form a closure. A mistake in the field notes or in copying the  
9 field notes in the legislative process does not in any way affect  
10 the district's:

11 (1) organization, existence, or validity;

12 (2) right to issue any type of bond for a purpose for  
13 which the district is created or to pay the principal of and  
14 interest on the bond;

15 (3) right to impose or collect an assessment or tax; or

16 (4) legality or operation. (Loc. Gov. Code, Sec.  
17 376.455, as added Acts 77th Leg., R.S., Ch. 1433; New.)

18 Source Law

19 Sec. 376.455. FINDINGS RELATING TO  
20 BOUNDARIES. The boundaries and field notes of the  
21 district form a closure. If a mistake is made in the  
22 field notes or in copying the field notes in the  
23 legislative process, the mistake does not in any way  
24 affect the district's:

25 (1) organization, existence, or validity;

26 (2) right to issue any type of bond for the  
27 purposes for which the district is created or to pay  
28 the principal of and interest on a bond;

29 (3) right to impose or collect an  
30 assessment or tax; or

31 (4) legality or operation.

32 Revisor's Note

33 The revision of the law governing the Aldine  
34 Community Improvement District does not revise the  
35 statutory language describing the territory of the  
36 district to avoid the lengthy recitation of the  
37 description and because that description may not be  
38 accurate on the effective date of the revision or at  
39 the time of a later reading. For the reader's  
40 convenience, the revised law includes a reference to

1 the statutory description of the district's territory  
2 and references to statutory authority to change the  
3 district's territory under Section 376.476, Local  
4 Government Code, as added by Chapter 1433, Acts of the  
5 77th Legislature, Regular Session, 2001 (revised in  
6 this chapter as Section 3817.106), which grants a  
7 municipality the power to exclude territory from the  
8 district, and under Subchapter J, Chapter 49, Water  
9 Code, applicable to the district under Section 49.001  
10 of that chapter. The revised law also includes a  
11 reference to the general authority of the legislature  
12 to enact other laws to change the district's territory.

13 Revised Law

14 Sec. 3817.006. APPLICABILITY OF OTHER LAW. Except as  
15 otherwise provided by this chapter, Chapter 375, Local Government  
16 Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as  
17 added Acts 77th Leg., R.S., Ch. 1433.)

18 Source Law

19 Sec. 376.457. APPLICATION OF OTHER LAW. Except  
20 as otherwise provided by this subchapter, Chapter 375  
21 applies to the district.

22 Revised Law

23 Sec. 3817.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
24 chapter shall be liberally construed in conformity with the  
25 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
26 376.458, as added Acts 77th Leg., R.S., Ch. 1433.)

27 Source Law

28 Sec. 376.458. CONSTRUCTION OF SUBCHAPTER. This  
29 subchapter shall be liberally construed in conformity  
30 with the findings and purposes stated in this  
31 subchapter.

32 [Sections 3817.008-3817.050 reserved for expansion]

33 SUBCHAPTER B. BOARD OF DIRECTORS

34 Revised Law

35 Sec. 3817.051. BOARD OF DIRECTORS; TERMS. (a) The  
36 district is governed by a board of nine directors who serve

1 staggered terms of four years with four or five directors' terms  
2 expiring June 1 of each odd-numbered year.

3 (b) One director must be a resident of the district.

4 (c) The board by resolution may change the number of  
5 directors on the board, but only if the board determines that the  
6 change is in the best interest of the district, subject to Section  
7 375.061, Local Government Code. (Loc. Gov. Code, Sec. 376.459, as  
8 added Acts 77th Leg., R.S., Ch. 1433.)

9 Source Law

10 Sec. 376.459. BOARD OF DIRECTORS IN  
11 GENERAL. (a) The district is governed by a board of  
12 nine directors who serve staggered terms of four years  
13 with four or five members' terms expiring June 1 of  
14 each odd-numbered year.

15 (b) One director must be a resident of the  
16 district.

17 (c) The board by resolution may change the  
18 number of directors on the board if the board finds  
19 that the change is in the best interest of the  
20 district, subject to Section 375.061.

21 Revised Law

22 Sec. 3817.052. APPOINTMENT AND REMOVAL OF  
23 DIRECTORS. Sections 375.064 and 375.065, Local Government Code,  
24 govern the appointment and removal of directors, except that for  
25 purposes of this chapter references in those sections to the  
26 governing body of the municipality mean the commissioners court of  
27 Harris County. (Loc. Gov. Code, Sec. 376.460, as added Acts 77th  
28 Leg., R.S., Ch. 1433.)

29 Source Law

30 Sec. 376.460. APPOINTMENT AND REMOVAL OF  
31 DIRECTORS. Board members are appointed and may be  
32 removed as provided by Sections 375.064 and 375.065,  
33 except that for purposes of this subchapter references  
34 in those sections to the governing body of the  
35 municipality mean the commissioners court of the  
36 county.

37 Revised Law

38 Sec. 3817.053. QUORUM. (a) Section 375.071, Local  
39 Government Code, does not apply to the district.

40 (b) One-half of the board constitutes a quorum.

41 (c) Except as provided by Section 3817.152, a concurrence of  
42 a majority of a quorum is required for any official district action.

1 (Loc. Gov. Code, Sec. 376.461, as added Acts 77th Leg., R.S., Ch.  
2 1433.)

3 Source Law

4 Sec. 376.461. QUORUM. (a) Section 375.071  
5 does not apply to the district.  
6 (b) One-half of the board constitutes a quorum.  
7 (c) Except as provided in Section 376.462, a  
8 concurrence of a majority of a quorum is required for  
9 any official district action.

10 [Sections 3817.054-3817.100 reserved for expansion]

11 SUBCHAPTER C. POWERS AND DUTIES

12 Revised Law

13 Sec. 3817.101. EXERCISE OF POWERS OF DEVELOPMENT  
14 CORPORATION. The district may exercise the powers of a corporation  
15 created under Section 4B, Development Corporation Act of 1979  
16 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,  
17 Sec. 376.463, as added Acts 77th Leg., R.S., Ch. 1433.)

18 Source Law

19 Sec. 376.463. EXERCISE OF POWERS OF DEVELOPMENT  
20 CORPORATION. The district may exercise the powers of  
21 a corporation created under Section 4B, Development  
22 Corporation Act of 1979 (Article 5190.6, Vernon's  
23 Texas Civil Statutes).

24 Revised Law

25 Sec. 3817.102. NONPROFIT CORPORATION. (a) The board by  
26 resolution may authorize the creation of a nonprofit corporation to  
27 assist and act for the district in implementing a project or  
28 providing a service authorized by this chapter.

29 (b) The nonprofit corporation:

30 (1) has each power of and is considered for purposes of  
31 this chapter to be a local government corporation created under  
32 Chapter 431, Transportation Code; and

33 (2) may implement any project and provide any service  
34 authorized by this chapter.

35 (c) The board shall appoint the board of directors of the  
36 nonprofit corporation. The board of directors of the nonprofit  
37 corporation shall serve in the same manner as, for the same term as,  
38 and on the same conditions as the board of directors of a local

1 government corporation created under Chapter 431, Transportation  
2 Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S.,  
3 Ch. 1433.)

4 Source Law

5 Sec. 376.466. NONPROFIT CORPORATION. (a) The  
6 board by resolution may authorize the creation of a  
7 nonprofit corporation to assist and act on behalf of  
8 the district in implementing a project or providing a  
9 service authorized by this subchapter.

10 (b) The board shall appoint the board of  
11 directors of a nonprofit corporation created under  
12 this section. The board of directors of the nonprofit  
13 corporation shall serve in the same manner, term, and  
14 conditions as a board of directors of a local  
15 government corporation created under Chapter 431,  
16 Transportation Code.

17 (c) A nonprofit corporation created under this  
18 section has the powers of and is considered for  
19 purposes of this subchapter to be a local government  
20 corporation created under Chapter 431, Transportation  
21 Code.

22 (d) A nonprofit corporation created under this  
23 section may implement any project and provide any  
24 service this subchapter authorizes.

25 Revised Law

26 Sec. 3817.103. CONTRACT WITH POLITICAL SUBDIVISION. Harris  
27 County, the City of Houston, or another political subdivision of  
28 this state, without further authorization, may contract with the  
29 district to implement a project of the district or assist the  
30 district in providing a service authorized under this chapter. A  
31 contract under this section may:

32 (1) be for a period on which the parties agree;

33 (2) include terms on which the parties agree;

34 (3) be payable from taxes or any other source of  
35 revenue that may be available for that project or service; and

36 (4) provide terms under which taxes or other revenue  
37 collected at a district project or from a person using or purchasing  
38 a commodity or service at a district project may be paid or rebated  
39 to the district. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th  
40 Leg., R.S., Ch. 1433.)

41 Source Law

42 Sec. 376.465. CONTRACT WITH POLITICAL  
43 SUBDIVISION. The municipality, county, or another  
44 political subdivision of the state, without further  
45 authorization, may contract with the district to

1 implement a project of the district or assist the  
2 district in providing the services authorized under  
3 this subchapter. A contract under this subsection  
4 may:

5 (1) be for a period on which the parties  
6 agree;

7 (2) include terms on which the parties  
8 agree;

9 (3) be payable from taxes or any other  
10 sources of revenue that may be available for such  
11 purpose; or

12 (4) provide that taxes or other revenue  
13 collected at a district project or from a person using  
14 or purchasing a commodity or service at a district  
15 project may be paid or rebated to the district under  
16 the terms of the contract.

17 Revised Law

18 Sec. 3817.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.

19 To protect the public interest, the district may contract with  
20 Harris County or the City of Houston for the county or the city to  
21 provide law enforcement services in the district for a fee. (Loc.  
22 Gov. Code, Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1433.)

23 Source Law

24 Sec. 376.464. AUTHORITY TO CONTRACT FOR LAW  
25 ENFORCEMENT. To protect the public interest, the  
26 district may contract with the municipality or the  
27 county for the municipality or county to provide law  
28 enforcement services in the district for a fee.

29 Revised Law

30 Sec. 3817.105. APPROVAL BY CITY OF HOUSTON. (a) Except as  
31 provided by Subsection (b), the district must obtain the approval  
32 of the City of Houston's governing body:

33 (1) for the issuance of a bond for each improvement  
34 project;

35 (2) of the plans and specifications of the improvement  
36 project financed by the bond; and

37 (3) of the plans and specifications of any district  
38 improvement project related to the use of land owned by Harris  
39 County, an easement granted by Harris County, or a right-of-way of a  
40 street, road, or highway.

41 (b) If the district obtains the approval of the City of  
42 Houston's governing body of a capital improvements budget for a  
43 period not to exceed five years, the district may finance the  
44 capital improvements and issue bonds specified in the budget

1 without further approval from the City of Houston. (Loc. Gov. Code,  
2 Secs. 376.468(a), (b), (c), as added Acts 77th Leg., R.S., Ch.  
3 1433.)

4 Source Law

5 Sec. 376.468. MUNICIPAL APPROVAL. (a) Except  
6 as provided by Subsection (b), the district must  
7 obtain approval from the municipality's governing body  
8 of:

9 (1) the issuance of bonds for an  
10 improvement project; and

11 (2) the plans and specifications of an  
12 improvement project financed by the bonds.

13 (b) If the district obtains approval from the  
14 municipality's governing body of a capital  
15 improvements budget for a period not to exceed five  
16 years, the district may finance the capital  
17 improvements and issue bonds specified in the budget  
18 without further approval from the municipality.

19 (c) The district must obtain approval from the  
20 municipality's governing body of the plans and  
21 specifications of any district improvement project  
22 related to the use of land owned by the county, an  
23 easement granted by the county, or a right-of-way of a  
24 street, road, or highway.

25 Revised Law

26 Sec. 3817.106. ANNEXATION OF CERTAIN TERRITORY BY GOVERNING  
27 BODY OF MUNICIPALITY. (a) If territory in the City of Houston's  
28 limit or extraterritorial jurisdiction is included in the district,  
29 the city's governing body may remove that territory from the  
30 district if the district does not have any bonded indebtedness.

31 (b) To remove the territory, the governing body of the City  
32 of Houston must notify the board secretary in writing that the  
33 territory is excluded from the district's territory.

34 (c) If a municipality annexes territory that is in its  
35 extraterritorial jurisdiction and included in the district, the  
36 governing body of the municipality shall notify the board secretary  
37 in writing that the annexed territory is excluded from the  
38 district's territory. (Loc. Gov. Code, Sec. 376.476, as added Acts  
39 77th Leg., R.S., Ch. 1433.)

40 Source Law

41 Sec. 376.476. ANNEXATION OF CERTAIN TERRITORY  
42 BY GOVERNING BODY OF MUNICIPALITY. (a) If territory  
43 in the municipality's limit or extraterritorial  
44 jurisdiction is included in the district, the  
45 municipality's governing body may remove that  
46 territory from the district if the district does not

1 have bonded indebtedness.

2 (b) To remove territory under Subsection (a),  
3 the governing body of the municipality must notify the  
4 secretary of the board of the district in writing that  
5 the territory is excluded from the district's  
6 territory.

7 (c) If a municipality annexes territory that is  
8 in its extraterritorial jurisdiction and included in  
9 the district, the governing body of the municipality  
10 shall notify the secretary of the board of the district  
11 in writing that the annexed territory is excluded from  
12 the district's territory.

13 Revisor's Note  
14 (End of Subchapter)

15 Section 376.474, Local Government Code, as added  
16 by Chapter 1433, Acts of the 77th Legislature, Regular  
17 Session, 2001, prohibits the district from exercising  
18 the power of eminent domain. The revised law omits  
19 that section because it duplicates Section 375.094,  
20 Local Government Code. Section 376.457, Local  
21 Government Code, as added by Chapter 1433, Acts of the  
22 77th Legislature, Regular Session, 2001 (revised in  
23 this chapter as Section 3817.006), provides that  
24 Chapter 375, Local Government Code, applies to the  
25 district. Therefore, it is not necessary to revise  
26 statutes that duplicate provisions in that chapter.  
27 The omitted law reads:

28 Sec. 376.474. NO EMINENT DOMAIN  
29 POWER. The district may not exercise the  
30 power of eminent domain.

31 [Sections 3817.107-3817.150 reserved for expansion]

32 SUBCHAPTER D. FINANCIAL PROVISIONS

33 Revised Law

34 Sec. 3817.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
35 board by resolution shall establish the number of directors'  
36 signatures and the procedure required for a disbursement or  
37 transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as  
38 added Acts 77th Leg., R.S., Ch. 1433.)

39 Source Law

40 Sec. 376.467. DISBURSEMENTS OR TRANSFERS OF  
41 FUNDS. The board by resolution shall establish the  
42 number of directors' signatures and the procedure  
43 required for a disbursement or transfer of the

1 district's money.

2 Revised Law

3 Sec. 3817.152. BOARD VOTE REQUIRED TO AUTHORIZE TAXES,  
4 ASSESSMENTS, IMPACT FEES, OR BONDS. (a) A majority vote of the  
5 directors serving is required to authorize the imposition of a tax,  
6 assessment, or impact fee.

7 (b) The written consent of at least two-thirds of the full  
8 membership of the board is required to authorize the issuance of a  
9 bond. (Loc. Gov. Code, Sec. 376.462, as added Acts 77th Leg., R.S.,  
10 Ch. 1433.)

11 Source Law

12 Sec. 376.462. VOTE REQUIRED FOR AUTHORIZATION  
13 OF ASSESSMENTS, BONDS, IMPACT FEES, AND TAXES. (a) A  
14 majority vote of the directors serving is required to  
15 authorize the imposition of an assessment, impact fee,  
16 or tax.

17 (b) The written consent of at least two-thirds  
18 of the full membership of the board is required to  
19 authorize the issuance of bonds.

20 Revised Law

21 Sec. 3817.153. MAINTENANCE TAX. (a) If authorized at an  
22 election held in accordance with Section 3817.157, the district may  
23 impose an annual ad valorem tax on taxable property in the district  
24 to:

- 25 (1) maintain and operate the district;  
26 (2) construct or acquire improvements; or  
27 (3) provide a service.

28 (b) The board shall determine the tax rate. (Loc. Gov.  
29 Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch. 1433.)

30 Source Law

31 Sec. 376.471. MAINTENANCE TAX. (a) If  
32 authorized at an election held in accordance with  
33 Section 376.472, the district may impose and collect  
34 an annual ad valorem tax on taxable property in the  
35 district for:

- 36 (1) the maintenance and operation of the  
37 district;  
38 (2) improvements constructed or acquired  
39 by the district; or  
40 (3) the provision of services.

41 (b) The board shall determine the tax rate.

42 Revisor's Note

43 Section 376.471(a), Local Government Code, as

1 added by Chapter 1433, Acts of the 77th Legislature,  
2 Regular Session, 2001, provides that the district may  
3 "impose and collect" an ad valorem tax. The revised  
4 law omits "and collect" because "impose" is the term  
5 generally used in Title 1, Tax Code, and includes the  
6 collection of an ad valorem tax.

7 Revised Law

8 Sec. 3817.154. SALES AND USE TAX. (a) The district may  
9 impose a sales and use tax if authorized by a majority of the voters  
10 of the district voting at an election called for that purpose.  
11 Revenue from the tax may be used for any purpose for which ad  
12 valorem tax revenue of the district may be used.

13 (b) The district may not adopt a sales and use tax if as a  
14 result of the adoption of the tax the combined rate of all sales and  
15 use taxes imposed by the district and other political subdivisions  
16 of this state having territory in the district would exceed two  
17 percent at any location in the district.

18 (c) If the voters of the district approve the adoption of  
19 the tax at an election held on the same election date on which  
20 another political subdivision adopts a sales and use tax or  
21 approves an increase in the rate of its sales and use tax and as a  
22 result the combined rate of all sales and use taxes imposed by the  
23 district and other political subdivisions of this state having  
24 territory in the district would exceed two percent at any location  
25 in the district, the election to adopt a sales and use tax under  
26 this chapter has no effect. (Loc. Gov. Code, Sec. 376.470, as added  
27 Acts 77th Leg., R.S., Ch. 1433.)

28 Source Law

29 Sec. 376.470. SALES AND USE TAX. (a) The  
30 district may impose a sales and use tax if authorized  
31 by a majority of the qualified voters of the district  
32 voting at an election called for that purpose. Revenue  
33 from the tax may be used for any purpose for which ad  
34 valorem tax revenue of the district may be used.

35 (b) The district may not adopt a tax under this  
36 subchapter if as a result of the adoption of the tax  
37 the combined rate of all sales and use taxes imposed by  
38 the county and other political subdivisions of this  
39 state having territory in the county would exceed two

1 percent at any location in the district.

2 (c) If the voters of the county approve the  
3 adoption of the tax at an election held on the same  
4 election date on which another political subdivision  
5 adopts a sales and use tax or approves the increase in  
6 the rate of its sales and use tax and as a result the  
7 combined rate of all sales and use taxes imposed by the  
8 district and other political subdivisions of this  
9 state having territory in the district would exceed  
10 two percent at any location in the county, the election  
11 to adopt a sales and use tax under this subchapter has  
12 no effect.

13 Revisor's Note

14 (1) Section 376.470(a), Local Government Code,  
15 as added by Chapter 1433, Acts of the 77th Legislature,  
16 Regular Session, 2001, refers to "a majority of the  
17 qualified voters of the district." The revised law  
18 omits the term "qualified" as unnecessary in this  
19 context because Chapter 11, Election Code, governs  
20 eligibility to vote in an election in this state and  
21 allows only "qualified" voters to vote in an election.

22 (2) Section 376.470(b), Local Government Code,  
23 as added by Chapter 1433, Acts of the 77th Legislature,  
24 Regular Session, 2001, refers to a "tax under this  
25 subchapter," meaning Subchapter K, Chapter 376, Local  
26 Government Code, as added by Chapter 1433, Acts of the  
27 77th Legislature, Regular Session, 2001, which is  
28 revised as this chapter. It is clear from the context  
29 that the quoted language refers only to a sales and use  
30 tax. Accordingly, the revised law refers to a "sales  
31 and use tax."

32 (3) Section 376.470(b), Local Government Code,  
33 as added by Chapter 1433, Acts of the 77th Legislature,  
34 Regular Session, 2001, refers to the combined rate of  
35 all sales and use taxes imposed by the "county" and  
36 other political subdivisions of this state having  
37 territory in the "county." The revised law  
38 substitutes "district" for "county" for consistency  
39 with Section 376.470(c), which refers to the combined  
40 rate of all sales and use taxes imposed by the

1 "district" and other political subdivisions of this  
2 state having territory in the "district."

3 (4) Section 376.470(c), Local Government Code,  
4 as added by Chapter 1433, Acts of the 77th Legislature,  
5 Regular Session, 2001, provides that if the voters of  
6 the "county" approve the adoption of a sales and use  
7 tax at an election held on the same election date on  
8 which another political subdivision adopts a sales and  
9 use tax or approves an increase in the rate of its  
10 sales and use tax and as a result the combined rate of  
11 all sales and use taxes imposed by the district and  
12 other political subdivisions of this state having  
13 territory in the district would exceed two percent at  
14 any location in the "county," the district's election  
15 to adopt a sales and use tax has no effect. The revised  
16 law substitutes a reference to the adoption of the tax  
17 by the voters of the "district" for consistency with  
18 Section 376.470(a), which authorizes the "district" to  
19 impose a sales and use tax if authorized by a majority  
20 of the voters of the "district." The revised law also  
21 substitutes a reference to the combined rate of all  
22 sales and use taxes imposed by political subdivisions  
23 at any location in the "district" for consistency with  
24 Section 376.470(b), which refers to the combined rate  
25 of all sales and use taxes imposed by political  
26 subdivisions at any location in the "district."

27 Revised Law

28 Sec. 3817.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
29 The board by resolution may impose and collect an assessment for any  
30 purpose authorized by this chapter.

31 (b) An assessment, a reassessment, or an assessment  
32 resulting from an addition to or correction of the assessment roll  
33 by the district, penalties and interest on an assessment or  
34 reassessment, an expense of collection, and reasonable attorney's

1 fees incurred by the district:

2 (1) are a first and prior lien against the property  
3 assessed;

4 (2) are superior to any other lien or claim other than  
5 a lien or claim for county, school district, or municipal ad valorem  
6 taxes; and

7 (3) are the personal liability of and a charge against  
8 the owners of the property even if the owners are not named in the  
9 assessment proceedings.

10 (c) The lien is effective from the date of the board's  
11 resolution imposing the assessment until the date the assessment is  
12 paid. The board may enforce the lien in the same manner that the  
13 board may enforce an ad valorem tax lien against real property.  
14 (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch.  
15 1433.)

16 Source Law

17 Sec. 376.469. ASSESSMENTS. (a) The board may  
18 impose and collect an assessment for any purpose  
19 authorized by this subchapter.

20 (b) Assessments, reassessments, or assessments  
21 resulting from an addition to or correction of the  
22 assessment roll by the district, penalties and  
23 interest on an assessment or reassessment, expenses of  
24 collection, and reasonable attorney's fees incurred by  
25 the district:

26 (1) are a first and prior lien against the  
27 property assessed;

28 (2) are superior to any other lien or claim  
29 other than a lien or claim for county, school district,  
30 or municipal ad valorem taxes; and

31 (3) are the personal liability of and  
32 charge against the owners of the property even if the  
33 owners are not named in the assessment proceedings.

34 (c) The lien is effective from the date of the  
35 resolution of the board levying the assessment until  
36 the assessment is paid. The board may enforce the lien  
37 in the same manner that the board may enforce an ad  
38 valorem tax lien against real property.

39 Revised Law

40 Sec. 3817.156. PROPERTY EXEMPT FROM IMPACT FEES AND  
41 ASSESSMENTS. (a) In this section:

42 (1) "Electric utility" and "power generation company"  
43 have the meanings assigned by Section 31.002, Utilities Code.

44 (2) "Gas utility" has the meaning assigned by Sections

1 101.003 and 121.001, Utilities Code.

2 (3) "Telecommunications provider" has the meaning  
3 assigned by Section 51.002, Utilities Code.

4 (b) The district may not impose an impact fee or assessment  
5 under Chapter 375, Local Government Code, on a residential  
6 property, including a multiunit residential property, or a  
7 condominium.

8 (c) The district may not impose an impact fee or assessment  
9 on the property of an electric utility, gas utility, power  
10 generation company, or telecommunications provider. (Loc. Gov.  
11 Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1433.)

12 Source Law

13 Sec. 376.473. PROPERTY EXEMPTED FROM TAX, FEE,  
14 OR ASSESSMENT. (a) The district may not impose an  
15 impact fee or assessment under Chapter 375 on a  
16 residential property, multiunit residential property,  
17 or condominium.

18 (b) The district may not impose an assessment or  
19 impact fee on the property of an electric utility, gas  
20 utility, power generation company, or  
21 telecommunications provider. In this subsection,  
22 "electric utility" and "power generation company" have  
23 the meanings assigned by Section 31.002, Utilities  
24 Code, "gas utility" has the meaning assigned by  
25 Sections 101.003 and 121.001, Utilities Code, and  
26 "telecommunications provider" has the meaning  
27 assigned by Section 51.002(10), Utilities Code.

28 Revised Law

29 Sec. 3817.157. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
30 addition to the elections required under Subchapter L, Chapter 375,  
31 Local Government Code, the district must hold an election in the  
32 manner provided by that subchapter to obtain voter approval before  
33 the district may:

34 (1) impose a maintenance tax; or

35 (2) issue a bond payable from ad valorem taxes or  
36 assessments.

37 (b) The board may include more than one purpose in a single  
38 proposition at an election. (Loc. Gov. Code, Sec. 376.472, as added  
39 Acts 77th Leg., R.S., Ch. 1433.)

40 Source Law

41 Sec. 376.472. ELECTIONS. (a) In addition to

1 the elections the district must hold under Subchapter  
2 L, Chapter 375, the district shall hold an election in  
3 the manner provided by that subchapter to obtain voter  
4 approval before the district imposes a maintenance tax  
5 or issues bonds payable from ad valorem taxes or  
6 assessments.

7 (b) The board may include more than one purpose  
8 in a single proposition at an election.

9 Revised Law

10 Sec. 3817.158. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
11 OBLIGATIONS. Except as provided by Section 375.263, Local  
12 Government Code, a municipality is not required to pay a bond, note,  
13 or other obligation of the district. (Loc. Gov. Code, Sec.  
14 376.468(d), as added Acts 77th Leg., R.S., Ch. 1433.)

15 Source Law

16 (d) Except as provided by Section 375.263, a  
17 municipality is not obligated to pay any bonds, notes,  
18 or other obligations of the district.

19 [Sections 3817.159-3817.200 reserved for expansion]

20 SUBCHAPTER E. DISSOLUTION

21 Revised Law

22 Sec. 3817.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
23 DEBT. (a) The board may dissolve the district regardless of  
24 whether the district has debt. Section 375.264, Local Government  
25 Code, does not apply to the district.

26 (b) If the district has debt when it is dissolved, the  
27 district shall remain in existence solely for the purpose of  
28 discharging its debts. The dissolution is effective when all debts  
29 have been discharged. (Loc. Gov. Code, Sec. 376.475, as added Acts  
30 77th Leg., R.S., Ch. 1433.)

31 Source Law

32 Sec. 376.475. EXCEPTION FOR DISSOLUTION OF  
33 DISTRICT WITH OUTSTANDING DEBTS. (a) The board may  
34 vote to dissolve a district that has debt. If the vote  
35 is in favor of dissolution, the district shall remain  
36 in existence solely for the limited purpose of  
37 discharging its debts. The dissolution is effective  
38 when all debts have been discharged.

39 (b) Section 375.264 does not apply to the  
40 district.

41 [Chapters 3818-5000 reserved for expansion]

1 TITLE 5. TRANSPORTATION

2 SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES

3 CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

4 SUBCHAPTER A. GENERAL PROVISIONS

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6 Sec. 5001.002. NATURE OF DISTRICT . . . . . 584

7 Sec. 5001.003. DISTRICT TERRITORY . . . . . 585

8 Sec. 5001.004. GOVERNANCE OF DISTRICT . . . . . 586

9 [Sections 5001.005-5001.050 reserved for expansion]

10 SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

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12 Sec. 5001.052. AUTHORITY TO CREATE FUND . . . . . 588

13 Sec. 5001.053. LIMITATION ON DEPOSITS TO FUND . . . . . 588

14 Sec. 5001.054. SEPARATE FUND . . . . . 588

15 Sec. 5001.055. AUTHORIZED EXPENDITURES OF MONEY IN

16 FUND . . . . . 589

17 Sec. 5001.056. CONTROL OVER FUND AND EXPENDITURES . . . . . 589

18 Sec. 5001.057. DUTIES OF COUNTY AUDITOR IN RELATION TO

19 FUND . . . . . 590

20 Sec. 5001.058. EFFECT OF FUND ON OTHER EXPENDITURES . . . . . 590

21 CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Revised Law

24 Sec. 5001.001. DEFINITION. In this chapter, "district"  
25 means the Aransas County Navigation District No. 1. (New.)

26 Revisor's Note

27 The revised law adds the definition of "district"  
28 to avoid frequent, unnecessary repetition of the  
29 substance of the definition.

30 Revised Law

31 Sec. 5001.002. NATURE OF DISTRICT. The district is a  
32 navigation district operating under Section 59, Article XVI, Texas  
33 Constitution. (Acts 51st Leg., R.S., Ch. 213, Sec. 1 (part).)

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Source Law

Sec. 1. Aransas County Navigation District No. 1 . . . be and the same is hereby converted to a navigation District under the provisions of Article XVI, Section 59 of the Constitution of Texas and . . . .

Revisor's Note

(1) Section 1, Chapter 213, Acts of the 51st Legislature, Regular Session, 1949, includes a reference to the general law under which the Aransas County Navigation District No. 1 was created. The revised law omits that reference as unnecessary because it does not help identify the district. The omitted law reads:

Sec. 1. . . . heretofore created under the provisions of the General Law (Chapter 9, Title 128, R.C.S. 1925) and . . . .

(2) Section 1, Chapter 213, Acts of the 51st Legislature, Regular Session, 1949, provides for the conversion of the then existing Aransas County Navigation District No. 1 to a district operating under Section 59, Article XVI, Texas Constitution. The revised law omits that provision as executed.

Revised Law

Sec. 5001.003. DISTRICT TERRITORY. The district is composed of all the territory in Aransas County, unless the district territory is modified under:

- (1) Section 3 or 3a, Chapter 103, Acts of the 41st Legislature, 1st Called Session, 1929 (Article 8263a, Vernon's Texas Civil Statutes), after May 14, 1949, and before August 30, 1971;
- (2) Subchapter H, Chapter 62, Water Code; or
- (3) other law. (Acts 51st Leg., R.S., Ch. 213, Sec. 1 (part); New.)

Source Law

Sec. 1. [Aransas County Navigation District No. 1] . . . composed of all territory situated in Aransas County, Texas, . . . .



1 supplied an unofficial citation and designated Chapter  
2 5 as Article 8263h of those statutes published under  
3 the title Vernon's Texas Civil Statutes. Article  
4 8263h, Vernon's Texas Civil Statutes, was subsequently  
5 codified as part of Chapter 62, Water Code, by Chapter  
6 58, Acts of the 62nd Legislature, Regular Session,  
7 1971. Consequently, the revised law substitutes a  
8 reference to Chapter 62, Water Code.

9 The revised law omits the reference to  
10 "amendments and additions" as unnecessary. Section  
11 311.027, Government Code (Code Construction Act),  
12 applicable to the revised law, states that a reference  
13 to a statute includes all reenactments, revisions, or  
14 amendments of that statute.

15 The revised law omits the reference to statutes  
16 "heretofore or hereafter enacted" as unnecessary and  
17 redundant.

18 [Sections 5001.005-5001.050 reserved for expansion]

19 SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

20 Revised Law

21 Sec. 5001.051. DEFINITIONS. In this subchapter:

22 (1) "Commission" means the navigation and canal  
23 commission of the district.

24 (2) "Fund" means a promotion and development fund  
25 created by the district. (New.)

26 Revisor's Note

27 (1) The revised law adds the definition of  
28 "commission" to avoid frequent, unnecessary  
29 repetition of the substance of the definition. The law  
30 being revised in this chapter, Chapter 213, Acts of the  
31 51st Legislature, Regular Session, 1949, contains  
32 several references to "the commission." The added  
33 definition of "commission" conforms with Chapter 62,  
34 Water Code, applicable to the revised law.

1 Specifically, Section 62.001(2), Water Code, defines  
2 the term "commission" to mean a navigation and canal  
3 commission.

4 (2) The revised law adds the definition of  
5 "fund" to avoid frequent, unnecessary repetition of  
6 the substance of the definition.

7 Revised Law

8 Sec. 5001.052. AUTHORITY TO CREATE FUND. The district may  
9 create a promotion and development fund. (Acts 51st Leg., R.S., Ch.  
10 213, Sec. 4A (part).)

11 Source Law

12 Sec. 4A. The district may set aside . . . a  
13 promotion and development fund . . . .

14 Revised Law

15 Sec. 5001.053. LIMITATION ON DEPOSITS TO FUND. The  
16 district may deposit to the credit of the fund not more than five  
17 percent of its gross income from operations in a calendar year.  
18 (Acts 51st Leg., R.S., Ch. 213, Sec. 4A (part).)

19 Source Law

20 Sec. 4A. [The district may set aside] out of  
21 current income from its operations [a promotion and  
22 development fund] of not more than five percent of its  
23 gross income from operations in each calendar year.

24 Revised Law

25 Sec. 5001.054. SEPARATE FUND. (a) Money in the promotion  
26 and development fund shall be kept separate from all other funds and  
27 accounts of the district.

28 (b) Money derived from the imposition of taxes may not be  
29 deposited to the credit of the fund. (Acts 51st Leg., R.S., Ch.  
30 213, Sec. 4C(a).)

31 Source Law

32 Sec. 4C. (a) The money in a promotion and  
33 development fund created under Section 4A of this Act  
34 shall be kept separate from all other funds and  
35 accounts of the district, and no money collected from  
36 assessing or levying taxes may be mingled with the  
37 fund.

1 Revisor's Note

2 Section 4C(a), Chapter 213, Acts of the 51st  
3 Legislature, Regular Session, 1949, refers to money  
4 "collected from assessing or levying taxes." The  
5 revised law substitutes a reference to money "derived  
6 from the imposition of taxes" because "imposition" is  
7 the term generally used in Title 1, Tax Code, and  
8 includes the assessment and levying of a tax.

9 Revised Law

10 Sec. 5001.055. AUTHORIZED EXPENDITURES OF MONEY IN  
11 FUND. Money in the fund may be spent by the commission, or as the  
12 commission may direct, to pay any expense connected with:

13 (1) an activity or matter incidental to the  
14 advertising, development, or promotion of the district or a port,  
15 waterway, harbor, or terminal of the district;

16 (2) the furtherance of the general welfare of the  
17 district or a facility of the district; or

18 (3) the improvement of the district's relations with a  
19 steamship or rail line, a shipper, a consignee of freight, a  
20 government official, or another person interested or thought to be  
21 interested in a port, waterway, harbor, or terminal of the  
22 district. (Acts 51st Leg., R.S., Ch. 213, Sec. 4B.)

23 Source Law

24 Sec. 4B. Money in a promotion and development  
25 fund created under Section 4A of this Act shall be  
26 spent by the commission or as the commission may direct  
27 to pay any expenses connected with:

28 (1) any activity or matter incidental to  
29 the advertising, development, or promotion of the  
30 district or its ports, waterways, harbors, or  
31 terminals;

32 (2) furthering the general welfare of the  
33 district and its facilities; or

34 (3) the betterment of the district's  
35 relations with steamship and rail lines, shippers,  
36 consignees of freight, governmental officials, or  
37 others interested or sought to be interested in the  
38 ports, waterways, harbors, or terminals.

39 Revised Law

40 Sec. 5001.056. CONTROL OVER FUND AND EXPENDITURES. The  
41 commission:

- 1 (1) has exclusive control over the fund; and  
2 (2) is fully responsible for auditing, approving, and  
3 safeguarding each expenditure of money from the fund. (Acts 51st  
4 Leg., R.S., Ch. 213, Sec. 4C(b).)

5 Source Law

6 (b) The promotion and development fund shall be  
7 under the exclusive control of the commission, and the  
8 commission shall have full responsibility for  
9 auditing, approving, and safeguarding the expenditure  
10 of money from the fund.

11 Revised Law

12 Sec. 5001.057. DUTIES OF COUNTY AUDITOR IN RELATION TO  
13 FUND. (a) The county auditor shall exercise the auditor's usual  
14 supervision and control to ensure that the commission complies with  
15 Section 5001.053.

16 (b) The county auditor may not audit expenditures from the  
17 fund but is entitled to receive a monthly statement that shows with  
18 respect to each expenditure:

- 19 (1) the date of the expenditure;  
20 (2) the amount of the expenditure;  
21 (3) the person or entity who received the expenditure;  
22 and  
23 (4) the general purpose of the expenditure. (Acts  
24 51st Leg., R.S., Ch. 213, Sec. 4C(c).)

25 Source Law

26 (c) The county auditor shall exercise his usual  
27 supervision and control to assure that the commission  
28 sets aside no more than five percent of its gross  
29 income from operations in each calendar year in the  
30 promotion and development fund. The county auditor  
31 shall not audit disbursements from the fund but shall  
32 be entitled to a monthly statement showing the:

- 33 (1) date of each disbursement from the  
34 fund;  
35 (2) amount disbursed;  
36 (3) person or concern to whom disbursed;  
37 and  
38 (4) general purpose of each disbursement.

39 Revised Law

40 Sec. 5001.058. EFFECT OF FUND ON OTHER EXPENDITURES. The  
41 creation of the fund or an expenditure of money from the fund does  
42 not affect the payment of any expense that is customarily approved,

1 audited, or paid out of the regular funds of the district. (Acts  
2 51st Leg., R.S., Ch. 213, Sec. 4D (part).)

3 Source Law

4 Sec. 4D. . . . the setting aside of the fund and  
5 disbursements from the fund shall not affect payment  
6 of other expenses customarily approved, audited, and  
7 paid out of the regular funds of the district.

8 Revisor's Note

9 Section 4D, Chapter 213, Acts of the 51st  
10 Legislature, Regular Session, 1949, refers to the  
11 authority in Section 4B of that Act to spend money in  
12 the promotion and development fund. The revised law  
13 omits this provision because Section 4B provides  
14 sufficient authority for the expenditure of such money  
15 and the language in Section 4D is not a limitation on  
16 that authority. The omitted law reads:

17 Sec. 4D. Since Section 4B of this Act  
18 authorizes disbursements from a promotion  
19 and development fund created under Section  
20 4A, for unusual purposes and occasions not  
21 covered by other law, . . . .

22 Revisor's Note  
23 (End of Chapter)

24 (1) Sections 2, 3, and 4, Chapter 213, Acts of  
25 the 51st Legislature, Regular Session, 1949, provide  
26 authority and a procedure for the Aransas County  
27 Navigation District No. 1 to acquire certain property  
28 interests then owned by the City of Rockport, Texas,  
29 and to assume the city's bond obligations relating to  
30 those property interests; for the City of Rockport to  
31 deliver title to and control over those property  
32 interests to the Aransas County Navigation District  
33 No. 1; and for the Commissioners Court of Aransas  
34 County to issue refunding bonds for and on behalf of  
35 the Aransas County Navigation District No. 1. The  
36 revised law omits these provisions because more than  
37 50 years have passed since the 1949 law was enacted and  
38 it is safe to assume that the authority granted to the

1 district under that law has been accomplished in due  
2 course, time, and order, and that the 1949 law is  
3 executed. The omitted law reads:

4           Sec. 2. Said District is hereby  
5 authorized to acquire from the City of  
6 Rockport, Texas, in the manner herein  
7 provided, all of the right, title, interest  
8 and equities which said City may have in  
9 seawalls, breakwaters, navigation  
10 facilities, appurtenances and all  
11 properties constructed or acquired by said  
12 City by use of the proceeds of sale of bonds  
13 issued by the City payable in whole or in  
14 part by grants of State taxes for general  
15 fund purposes on persons and properties,  
16 including rolling stock of railroads, in  
17 Aransas County. Said District is further  
18 authorized to assume the liability of said  
19 City for the payment of principal and  
20 interest on the City of Rockport, Texas,  
21 State Aid Seawall and Breakwater Bonds, in  
22 two (2) issues, dated November 1, 1939, and  
23 June 1, 1940, respectively, and the City of  
24 Rockport Seawall and Breakwater Refunding  
25 Bonds dated April 1, 1945, and the City of  
26 Rockport Seawall and Breakwater Refunding  
27 Bonds dated October 1, 1947, now  
28 outstanding in the principal, total,  
29 aggregate sum of One Hundred and Eleven  
30 Thousand Dollars (\$111,000), which bonds  
31 are primarily secured by a pledge of State  
32 taxes for general revenue purposes which  
33 were granted to the City of Rockport by  
34 House Bill 180, Acts of the Forty-sixth  
35 Legislature, Regular Session, 1939, as  
36 amended and extended by Chapter 457, Acts of  
37 the Fiftieth Legislature, Regular Session,  
38 1947; provided, that the City's liability on  
39 such bonds shall not be assumed by the  
40 District until approved by a majority vote  
41 of the qualified resident electors of said  
42 District who own taxable property within  
43 said District and who have duly rendered  
44 same for taxation voting at an election held  
45 for such purpose. Such election shall be  
46 held in the same manner provided for holding  
47 bond elections in said District and if the  
48 proposition of assuming the City's  
49 liability on said bonds is favorably voted  
50 at such election, the District shall  
51 thereafter be liable on said bonds to the  
52 same extent, but only to the same extent,  
53 that the City would have been liable had not  
54 the District assumed such liability.  
55 Nothing herein shall be construed to affect  
56 in any way the grants of State Taxes  
57 heretofore made to the City of Rockport, or  
58 any extension or enlargement thereof  
59 heretofore or hereafter made, except that  
60 all such taxes shall hereafter be paid when  
61 collected to the County Treasurer of  
62 Aransas County for the use and benefit of  
63 said District and to be first applied to the  
64 full extent necessary to pay the principal

1 of such bonds when due and the interest  
2 thereon as it accrues. If the sums thus  
3 received by the District from such grants of  
4 State taxes should at any time be  
5 insufficient to pay the full amount of  
6 principal and interest of said bonds when  
7 due, the County Commissioners Court of  
8 Aransas County shall, at the time it levies  
9 county taxes and other taxes for said  
10 Navigation District, levy taxes upon all  
11 taxable property within said District fully  
12 sufficient, after due allowance for  
13 delinquencies and costs of collection, to  
14 provide funds to pay such principal and  
15 interest in the same manner and to the same  
16 extent that the City of Rockport would  
17 otherwise have been obligated to provide  
18 such funds; and such taxes shall be levied  
19 without limit as to rate or amount for such  
20 purposes.

21 Sec. 3. If the election hereinabove  
22 mentioned results in the assumption by said  
23 District of the City's liability on said  
24 bonds, all of the City of Rockport's title,  
25 right, interest and equities in and to all  
26 seawalls, breakwaters, navigation  
27 facilities, appurtenances and all  
28 properties of whatever nature and kind  
29 which the City constructed, purchased or  
30 acquired by use of the proceeds of sale of  
31 the bonds issued by the City and secured by  
32 State taxes granted to the City of Rockport  
33 by Chapter 23, Acts of the Thirty-sixth  
34 Legislature, Third Called Session, or House  
35 Bill 180, Acts of the Forty-sixth  
36 Legislature, Regular Session or Chapter  
37 457, Acts of the Fiftieth Legislature,  
38 Regular Session, shall pass to said  
39 District at the time the returns of said  
40 election are canvassed and declared to be in  
41 favor of such assumption and the Mayor and  
42 City Secretary of said City shall forthwith  
43 execute and deliver such deeds and other  
44 conveyances as shall be necessary to record  
45 the transfer of such properties. In the  
46 event such election is unfavorable to the  
47 assumption of such liability by the  
48 District, the Board of Navigation and Canal  
49 Commissioners is hereby authorized and  
50 empowered to convey to the City of Rockport,  
51 Texas, all of the right, title and interest  
52 in and to that tract of submerged and  
53 reclaimed land fronting the City of  
54 Rockport, Texas, as described in letter  
55 patent from the State of Texas, and recorded  
56 and described by metes and bounds in Volume  
57 Q-2, page 270 and as corrected in Volume  
58 U-2, page 611, of the Deed Records, Aransas  
59 County, Texas; subject, however, to the  
60 rights of any recorded lien-holder and to  
61 the rights of lessees and holders of  
62 franchises in possession, and thereafter  
63 the City of Rockport shall have and exercise  
64 the exclusive right of management and  
65 control of the seawall, breakwater, docks,  
66 wharves, and all appurtenances thereonto  
67 fronting the City of Rockport and situated  
68 upon the above described land.

1                   Sec. 4. If the District assumes the  
2 City's liability on said bonds as  
3 hereinabove provided, the Commissioners  
4 Court of Aransas County, acting for and on  
5 behalf of said District and at the request  
6 of said Board, shall be authorized to issue  
7 the bonds of said District for the purpose  
8 of refunding, cancelling and in lieu of all  
9 or any part of the bonds so assumed by the  
10 District. Such refunding bonds shall be  
11 secured by a pledge of the State taxes  
12 heretofore or hereafter granted for the  
13 purpose of paying the outstanding bonds to  
14 be refunded and further by the levy of taxes  
15 upon all taxable property within said  
16 District, if same be necessary, sufficient  
17 to make up any deficiency in such State tax  
18 grants and to insure the payment of said  
19 bonds, both principal and interest, when  
20 due.

21                   (2) Section 5, Chapter 213, Acts of the 51st  
22 Legislature, Regular Session, 1949, provides that the  
23 Act is severable. The revised law omits that provision  
24 because it duplicates Section 311.032, Government Code  
25 (Code Construction Act), applicable to the revised law  
26 and Section 312.013, Government Code, which provide  
27 that a provision of a statute is severable from each  
28 other provision of the statute that can be given  
29 effect. The omitted law reads:

30                   Sec. 5. Should any section,  
31 paragraph, sentence, clause, phrase or word  
32 contained in this Act be held invalid or  
33 unconstitutional, the same shall not affect  
34 any other section, paragraph, sentence,  
35 clause, phrase or word thereof, and any  
36 other section, paragraph, sentence, clause,  
37 phrase or word not affected by such holding  
38 shall remain in full force and effect, and  
39 shall be construed thereafter as being the  
40 entire provisions of this Act.

41                   [Chapters 5002-5200 reserved for expansion]

42                   SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS

43                   [Chapters 5201-6600 reserved for expansion]

44                   TITLE 6. WATER AND WASTEWATER

45                   SUBTITLE A. DRAINAGE DISTRICTS

46                   CHAPTER 6601. ANGLETON DRAINAGE DISTRICT

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28		CHAPTER 6601. ANGLETON DRAINAGE DISTRICT	
29		SUBCHAPTER A. GENERAL PROVISIONS	
30		<u>Revised Law</u>	
31	Sec. 6601.001.	DEFINITIONS. In this chapter:	
32		(1) "Board" means the board of directors of the	
33		district.	
34		(2) "Director" means a member of the board.	

1 (3) "District" means the Angleton Drainage District.  
2 (New.)

3 Revisor's Note

4 The definitions of "board," "director," and  
5 "district" are added to the revised law for drafting  
6 convenience and to eliminate frequent, unnecessary  
7 repetition of the substance of the definitions.

8 Revised Law

9 Sec. 6601.002. NATURE OF DISTRICT. (a) The Angleton  
10 Drainage District is a conservation and reclamation district  
11 re-created under Section 59, Article XVI, Texas Constitution, for  
12 the reclamation and drainage of the district's overflowed lands and  
13 other lands needing drainage.

14 (b) The district is a municipal corporation. (Acts 57th  
15 Leg., 3rd C.S., Ch. 43, Secs. 1 (part), 2 (part), 12 (part).)

16 Source Law

17 Sec. 1. [Angleton Drainage District of Brazoria  
18 County, Texas (hereinafter called "Old District"), as  
19 created and defined by that certain order of the  
20 Commissioners Court of Brazoria County, Texas, passed  
21 and adopted by said Court on the 20th day of January,  
22 1908, recorded in Book 1, page 147, minutes of the  
23 Commissioners Court of said County, and re-created by  
24 Senate Bill No. 92, Chapter 9, page 42, Acts of the  
25 41st Legislature of Texas, Fourth Called Session,  
26 1930,] is hereby re-established and re-created as  
27 "Angleton Drainage District" in accordance with and  
28 subject to all of the terms and provisions of this Act.  
29 Such District shall be and is constituted as a duly and  
30 validly existing conservation and reclamation  
31 district under the provisions of Section 59 of Article  
32 XVI, Constitution of Texas. . . .

33 Sec. 2. Said District shall be considered to be  
34 organized and existing for the reclamation and  
35 drainage of its overflowed lands and other lands  
36 needing drainage, and . . . .

37 Sec. 12. The Legislature . . . declares the  
38 District to be a governmental agency, a body politic  
39 and corporate, and a municipal corporation.

40 Revisor's Note

41 (1) Section 1, Chapter 43, Acts of the 57th  
42 Legislature, 3rd Called Session, 1962, authorizes the  
43 re-creation and reestablishment of the Angleton  
44 Drainage District as created and defined by order of

1 the Brazoria County Commissioners Court in January  
2 1908 and as re-created by Chapter 9, Special Laws, Acts  
3 of the 41st Legislature, 4th Called Session, 1930. The  
4 drainage district has been created, and the revised  
5 law is drafted accordingly.

6 (2) Section 1, Chapter 43, Acts of the 57th  
7 Legislature, 3rd Called Session, 1962, provides that  
8 the Angleton Drainage District is "subject to all of  
9 the terms and provisions of this Act." The revised law  
10 omits the quoted language as unnecessary because the  
11 terms of the act provide sufficient authority as to  
12 their applicability to the district. The absence of  
13 the language does not imply that the district may  
14 ignore laws that apply on their own terms.

15 (3) Section 12, Chapter 43, Acts of the 57th  
16 Legislature, 3rd Called Session, 1962, provides that  
17 the Angleton Drainage District is "a governmental  
18 agency, a body politic and corporate, and a municipal  
19 corporation." The revised law omits "governmental  
20 agency" and "body politic and corporate" because the  
21 phrases duplicate a portion of Section 59(b), Article  
22 XVI, Texas Constitution, which provides that a  
23 conservation and reclamation district is a  
24 governmental agency and a body politic and corporate.  
25 The policy of the legislative council's statutory  
26 revision program is to omit from the revised codes the  
27 duplicating statutory provisions because a statute  
28 that tracks the language of the constitution not only  
29 is superfluous but may foster the erroneous belief  
30 that a constitutional requirement is merely statutory  
31 and subject to amendment through the ordinary  
32 legislative process.

33 Revised Law

34 Sec. 6601.003. LEGISLATIVE FINDINGS. The legislature

1 finds that:

2 (1) all land and other property included in the  
3 district is, and will be, benefited by the district and by the  
4 improvements the district will purchase, construct, or otherwise  
5 acquire;

6 (2) the district is created to serve a public use and  
7 benefit; and

8 (3) the district is essential to accomplish the  
9 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
10 57th Leg., 3rd C.S., Ch. 43, Secs. 10, 12 (part).)

11 Source Law

12 Sec. 10. It is hereby found and determined that  
13 all of the lands and other property included within the  
14 District are, and will be benefited by the creation of  
15 the District and by the improvements that the District  
16 will purchase, construct, or otherwise acquire, and  
17 that the District is created to serve a public use and  
18 benefit.

19 Sec. 12. The Legislature hereby exercises the  
20 authority conferred upon it by Section 59, Article  
21 XVI, Constitution of Texas, and declares that the  
22 District created by this Act is essential to the  
23 accomplishment of the purposes of said constitutional  
24 provision; finds that all of the land and other  
25 property included therein are, and will be, benefited  
26 thereby and by the improvements that the District will  
27 purchase, construct, or otherwise acquire; and . . . .

28 Revisor's Note

29 (1) Section 10, Chapter 43, Acts of the 57th  
30 Legislature, 3rd Called Session, 1962, states that it  
31 is "found and determined" that property within the  
32 district will benefit from its creation and that the  
33 district is created to serve a public use and benefit.  
34 The revised law omits the reference to "determined"  
35 because in this context "determined" is included in  
36 the meaning of "found."

37 (2) Section 12, Chapter 43, Acts of the 57th  
38 Legislature, 3rd Called Session, 1962, states that the  
39 legislature "hereby exercises the authority conferred  
40 upon it by Section 59, Article XVI, Constitution of  
41 Texas." The revised law omits the quoted language as

1 executed.

2 Revised Law

3 Sec. 6601.004. DISTRICT TERRITORY. The district is  
4 composed of the territory described by Section 1, Chapter 9,  
5 Special Laws, Acts of the 41st Legislature, 4th Called Session,  
6 1930, as referenced by Section 1, Chapter 43, Acts of the 57th  
7 Legislature, 3rd Called Session, 1962, as that territory may have  
8 been modified under:

9 (1) Section 6601.105 or its predecessor statute,  
10 Section 11, Chapter 43, Acts of the 57th Legislature, 3rd Called  
11 Session, 1962;

12 (2) Chapter 4, Title 128, Revised Statutes, before  
13 August 30, 1971;

14 (3) Subchapter G, Chapter 53, Water Code, before  
15 September 1, 1995;

16 (4) Subchapter J, Chapter 49, Water Code; or

17 (5) other law. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
18 1 (part); New.)

19 Source Law

20 Sec. 1. Angleton Drainage District of Brazoria  
21 County, Texas (hereinafter called "Old District"), as  
22 created and defined by that certain order of the  
23 Commissioners Court of Brazoria County, Texas, passed  
24 and adopted by said Court on the 20th day of January,  
25 1908, recorded in Book 1, page 147, minutes of the  
26 Commissioners Court of said County, and re-created by  
27 Senate Bill No. 92, Chapter 9, page 42, Acts of the  
28 41st Legislature of Texas, Fourth Called Session,  
29 1930, . . . . The boundaries of said District shall be  
30 the same as those of the Old District, Angleton  
31 Drainage District of Brazoria County, Texas, and as  
32 recorded in said Book 1, page 147 of the minutes of the  
33 Brazoria County Commissioners Court abovementioned,  
34 and as set forth in said Senate Bill No. 92  
35 abovementioned.

36 Revisor's Note

37 The revised law does not revise the statutory  
38 language describing the territory of the Angleton  
39 Drainage District to avoid the lengthy recitation of  
40 the description and because that description may not  
41 be accurate on the effective date of the revision or at

1 the time of a later reading. For the reader's  
2 convenience, the revised law includes references to  
3 the statutory descriptions of the district's territory  
4 and to the statutory authority to change the district's  
5 territory under the district's law, Section 11,  
6 Chapter 43, Acts of the 57th Legislature, 3rd Called  
7 Session, 1962 (revised as Section 6601.105 of this  
8 chapter). The revised law also includes a reference to  
9 authority to change the district's territory under  
10 general law. When the district was re-created in 1962,  
11 this authority was located in Chapter 4, Title 128,  
12 Revised Statutes. Chapter 58, Acts of the 62nd  
13 Legislature, Regular Session, 1971, codified these  
14 provisions in Subchapter G, Chapter 53, Water Code.  
15 Chapter 715, Acts of the 74th Legislature, Regular  
16 Session, 1995, repealed the Chapter 53 provisions  
17 relating to the addition or removal of territory and  
18 enacted similar provisions as Subchapter J, Chapter  
19 49, Water Code. Chapter 49 applies to the district  
20 under Sections 49.001(a) and 49.002 of that chapter.  
21 The revised law also includes a reference to the  
22 general authority of the legislature to enact other  
23 laws to change the district's territory.

24 The revised law omits the statutory reference to  
25 the description of the district in the order of the  
26 Brazoria County Commissioner's Court as superseded by  
27 the legislative enactment of the district in Section  
28 1, Chapter 9, Special Laws, Acts of the 41st  
29 Legislature, 4th Called Session, 1930.

30 [Sections 6601.005-6601.050 reserved for expansion]

#### 31 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

##### 32 Revised Law

33 Sec. 6601.051. BOARD OF DIRECTORS. The board consists of  
34 three directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)



1 Session, 1995, repealed many of the provisions in  
2 Chapter 53 relating to the powers and duties of the  
3 board and enacted similar provisions in Chapter 49,  
4 Water Code. Since both Chapter 49 (through Sections  
5 49.001(a) and 49.002, Water Code) and Chapter 53  
6 (through Section 2, Chapter 43, Acts of the 57th  
7 Legislature, 3rd Called Session, 1962), codified in  
8 pertinent part as Section 6601.101, already apply to  
9 the district, the revised law omits this phrase as  
10 unnecessary.

11 Revised Law

12 Sec. 6601.052. BALLOT APPLICATION DEADLINE. An application  
13 for a place on the ballot for a directors election must be filed  
14 with the secretary of the district not later than the 30th day  
15 before the date of the election. (Acts 57th Leg., 3rd C.S., Ch. 43,  
16 Sec. 3 (part).)

17 Source Law

18 Sec. 3. . . . The time for filing, with the  
19 District's Secretary, to get one's name on the ballot  
20 in such election shall be thirty (30) days before the  
21 date of the election. . . .

22 Revised Law

23 Sec. 6601.053. QUALIFICATIONS. A candidate for director  
24 must:

- 25 (1) be more than 21 years of age; and  
26 (2) own land subject to taxation in the district.  
27 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

28 Source Law

29 Sec. 3. . . . Each such candidate must be more  
30 than twenty-one (21) years of age and must own land  
31 subject to taxation in said District. . . .

32 Revised Law

33 Sec. 6601.054. MEETINGS. The board shall meet at:

- 34 (1) the Angleton City Hall at 7:30 p.m. on the first  
35 Tuesday in February, May, August, and November of each year; or  
36 (2) other times and places as decided by the board.

1 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

2 Source Law

3 Sec. 3. . . . The meetings of said Board of  
4 Supervisors shall be as provided by General Law,  
5 except that said Board shall meet at the City Hall,  
6 Angleton, Texas, at 7:30 o'clock in the evening on the  
7 first Tuesday in February, May, August, and November  
8 of each year, or at such other times and places as may  
9 be decided upon by such Board. . . .

10 Revisor's Note

11 Section 3, Chapter 43, Acts of the 57th  
12 Legislature, 3rd Called Session, 1962, provides that  
13 "meetings of said Board of Supervisors shall be as  
14 provided by General Law." The revised law omits the  
15 quoted language as unnecessary because Chapter 49,  
16 Water Code, applies to the district under Sections  
17 49.001(a) and 49.002, Water Code, and provides for the  
18 holding of district meetings.

19 Revised Law

20 Sec. 6601.055. ADDITIONAL DIRECTORS. (a) If territory is  
21 added to the district and the board considers it advisable, the size  
22 of the board may be increased to not more than five directors.

23 (b) If the size of the board is increased, the board shall  
24 appoint the appropriate number of qualified persons to serve as  
25 directors until successor directors are elected at the next regular  
26 election of directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 4.)

27 Source Law

28 Sec. 4. If territory shall hereafter be added or  
29 annexed to the District and if its Board of Supervisors  
30 deems it advisable, the Board of Supervisors may be  
31 increased to not to exceed five (5) members. At the  
32 time the Board of Supervisors is increased to more than  
33 three (3) members, the Board of Supervisors shall  
34 appoint a qualified person or persons to serve as a  
35 Supervisor or Supervisors, and said person or persons  
36 shall take the oath and make the bond required by the  
37 General Law and shall thereafter serve until the next  
38 general supervisors election, when his successor or  
39 their successors shall be elected as provided herein.

40 Revisor's Note

41 Section 4, Chapter 43, Acts of the 57th  
42 Legislature, 3rd Called Session, 1962, provides that

1 an appointed supervisor "shall take the oath and make  
2 the bond required by the General Law." The revised law  
3 omits the provision because it duplicates, in  
4 substance, provisions in Section 49.055, Water Code,  
5 and Section 1, Article XVI, Texas Constitution.  
6 Chapter 49, Water Code, applies to the directors of a  
7 district under Sections 49.001(a) and 49.002, Water  
8 Code, and requires directors to take the oath and make  
9 bond. Section 1, Article XVI, Texas Constitution,  
10 requires all officers to take the oath before assuming  
11 office.

#### 12 Revised Law

13 Sec. 6601.056. SPECIAL ELECTION. (a) If the number of  
14 directors is reduced to one, the remaining director shall call a  
15 special election to fill the vacancies. If the remaining director  
16 fails to call the special election before the 16th day after the  
17 date the vacancies occur, the county judge of Brazoria County may  
18 order a special election on petition of any resident of the  
19 district.

20 (b) The election shall be conducted and notice shall be  
21 given in the manner provided by Section 49.106, Water Code, for bond  
22 elections of the district. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
23 3 (part).)

#### 24 Source Law

25 Sec. 3. . . . If the number of Supervisors  
26 shall be reduced to less than two (2), the remaining  
27 supervisor shall call a special election to fill said  
28 vacancies, and if such supervisor shall not do so  
29 within fifteen (15) days after such vacancies occur,  
30 the County Judge of Brazoria County, Texas, may order  
31 same upon petition of any resident of the District.  
32 Notice of such election and the manner of conducting  
33 same shall be as provided by the General Laws relating  
34 to fresh water supply district bond elections.

#### 35 Revisor's Note

36 Section 3, Chapter 43, Acts of the 57th  
37 Legislature, 3rd Called Session, 1962, provides in  
38 part that a special election shall be conducted and

1 notice given as provided by the "General Laws relating  
2 to fresh water supply district bond elections." The  
3 revised law substitutes "Section 49.106, Water Code,"  
4 for that reference because Section 49.106, by  
5 application of Sections 49.001(a) and 49.002, Water  
6 Code, is the general law now governing conduct and  
7 notice requirements for fresh water supply district  
8 bond elections.

9 Revisor's Note  
10 (End of Subchapter)

11 (1) Section 3, Chapter 43, Acts of the 57th  
12 Legislature, 3rd Called Session, 1962, provides in  
13 part for the first board of supervisors to serve the  
14 district. The revised law omits the provision as  
15 executed. The omitted law reads:

16 Sec. 3. . . . The first Board of  
17 Supervisors shall consist of the three (3)  
18 persons now acting as drainage  
19 commissioners for said former Angleton  
20 Drainage District of Brazoria County,  
21 Texas. Said first Board of Supervisors  
22 shall meet and organize as soon as  
23 practicable after the effective date of  
24 this Act and shall file their official  
25 bonds. If any of said members of said first  
26 Board of Supervisors shall die, become  
27 incapacitated, or otherwise not qualify to  
28 assume their duties under this Act, the  
29 County Judge of Brazoria County, Texas,  
30 shall appoint his or their  
31 successors. . . .

32 (2) Section 3, Chapter 43, Acts of the 57th  
33 Legislature, 3rd Called Session, 1962, specifies the  
34 number of board members necessary to constitute a  
35 quorum for all matters pertaining to the district. The  
36 revised law omits the provision as unnecessary because  
37 it duplicates general law. Section 312.015,  
38 Government Code, applicable to civil statutes, and  
39 Section 311.013, Government Code (Code Construction  
40 Act), applicable to the revised law, provide that a  
41 majority of a board or commission constitutes a  
42 quorum. In addition, Section 49.053, Water Code,

1 applicable to the district under Sections 49.001(a)  
2 and 49.002, Water Code, provides that a majority of a  
3 board is a quorum and that a majority of all members of  
4 the board is sufficient for transacting business. The  
5 omitted law reads:

6           Sec. 3. . . . Any two (2)  
7 Supervisors shall constitute a quorum, and  
8 a concurrence of two (2) shall be sufficient  
9 in all matters pertaining to the business of  
10 the District including the signing of  
11 vouchers issued for disbursement of  
12 District funds. If the number of  
13 Supervisors is increased, as herein  
14 provided, to more than three (3), then any  
15 three (3) Supervisors shall constitute a  
16 quorum, and a concurrence of three (3) shall  
17 be sufficient in all matters pertaining to  
18 the business of the District, including the  
19 signing of vouchers issued for disbursement  
20 of any District funds. . . .

21           (3) Section 3, Chapter 43, Acts of the 57th  
22 Legislature, 3rd Called Session, 1962, requires the  
23 first election of supervisors to be held November 6,  
24 1962, and requires subsequent supervisor elections to  
25 be held on the first Tuesday after the first Monday in  
26 November in each even-numbered year. The revised law  
27 omits the reference to the first supervisor election  
28 as executed. The revised law omits the provision  
29 requiring elections in November of even-numbered years  
30 as impliedly repealed. Section 49.103(b), Water Code  
31 (enacted in 1995), as amended by Section 5, Chapter  
32 340, Acts of the 77th Legislature, Regular Session,  
33 2001, requires elections of boards to be held on the  
34 uniform election date established by the Election Code  
35 in either February or May. That section applies to the  
36 supervisor elections of the district by application of  
37 Sections 49.001(a), 49.002, and 49.103(e), Water Code.  
38 The omitted law reads:

39           Sec. 3. . . . On November 6, 1962,  
40 and on the first Tuesday after the first  
41 Monday in November in each even-numbered  
42 year thereafter, the Board of Supervisors  
43 shall hold an election for the purpose of

1 electing all members of the Board of  
2 Supervisors, and . . . .

3 (4) Section 3, Chapter 43, Acts of the 57th  
4 Legislature, 3rd Called Session, 1962, provides that  
5 directors are elected to a two-year term of office  
6 beginning on January 1 following the election. The  
7 revised law omits the reference to the term beginning  
8 on January 1 because Section 50(b), Chapter 715, Acts  
9 of the 74th Legislature, Regular Session, 1995,  
10 realigned the terms of the district's directors. The  
11 revised law omits the reference to a two-year term of  
12 office because Section 49.103(a), Water Code, enacted  
13 in 1995 and applicable to the district under Sections  
14 49.001(a), 49.002, and 49.103(e), Water Code, now  
15 provides for a four-year term for directors with  
16 elections held each even-numbered year. The omitted  
17 law reads:

18 Sec. 3. . . . each of said  
19 Supervisors shall be elected to a two-year  
20 term of office to commence on the first day  
21 of January following the date of his  
22 election. . . .

23 (5) Section 3, Chapter 43, Acts of the 57th  
24 Legislature, 3rd Called Session, 1962, describes the  
25 procedure for filling a board vacancy. The revised law  
26 omits the provision because it duplicates, in  
27 substance, Section 49.105, Water Code. That section,  
28 applicable to the district under Sections 49.001(a)  
29 and 49.002, Water Code, details the procedures for  
30 filling a board vacancy. The omitted law reads:

31 Sec. 3. . . . Except as herein  
32 provided, all vacancies in the office of  
33 Supervisor shall be filled by appointment  
34 by the Board of Supervisors for the  
35 unexpired term. . . .

36 (6) Section 7, Chapter 43, Acts of the 57th  
37 Legislature, 3rd Called Session, 1962, provides that  
38 the board of directors shall employ the persons  
39 necessary for the proper operation of the district.

1 The revised law omits that provision as unnecessary  
2 because it duplicates, in substance, parts of Sections  
3 49.056 and 49.057, Water Code, which are applicable to  
4 the district under Sections 49.001(a) and 49.002,  
5 Water Code, and which authorize the district to hire  
6 employees and a general manager. The omitted law  
7 reads:

8 Sec. 7. The Board of Supervisors  
9 shall employ all necessary employees for  
10 the proper handling and operation of the  
11 District, and especially may employ a  
12 general manager, attorneys, bookkeeper and  
13 an engineer and such assistants and  
14 laborers as may be required, upon such terms  
15 and for such compensation as shall be fixed  
16 by said Board of Supervisors.

17 [Sections 6601.057-6601.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Revised Law

20 Sec. 6601.101. POWERS AND DUTIES. (a) To accomplish the  
21 purposes of Section 6601.002(a), the district has all the rights,  
22 powers, privileges, and duties conferred and imposed by general law  
23 on fresh water supply districts created under Section 59, Article  
24 XVI, Texas Constitution, including the power to conserve,  
25 transport, and distribute fresh water.

26 (b) This chapter prevails over a general law described by  
27 Subsection (a) that conflicts or is inconsistent with this chapter.  
28 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

29 Source Law

30 Sec. 2. . . . to accomplish such purpose the  
31 District shall have and exercise, and is hereby vested  
32 with, all of the rights, powers, privileges, and  
33 duties conferred and imposed by the General Laws of the  
34 State of Texas, now in force or hereafter enacted,  
35 applicable to fresh water supply districts created  
36 under authority of Section 59 of Article XVI,  
37 Constitution of Texas, but to the extent that the  
38 provisions of such General Laws may be in conflict or  
39 inconsistent with the provisions of this Act, the  
40 provisions of this Act shall prevail. . . . Without  
41 limiting the generalization of the foregoing, it is  
42 expressly provided that all said powers now or  
43 hereafter conferred by such General Laws upon fresh  
44 water supply districts for the purpose of conserving,  
45 transporting and distributing fresh water are hereby  
46 specifically conferred upon this District for the

1 purpose of reclaiming and draining its overflowed  
2 lands and other lands needing drainage; and in  
3 addition, . . . .

4 Revisor's Note

5 Section 2, Chapter 43, Acts of the 57th  
6 Legislature, 3rd Called Session, 1962, provides that  
7 general laws applicable to fresh water supply  
8 districts are incorporated by reference. The revised  
9 law omits the provision as unnecessary. Because this  
10 chapter references the laws that apply to the  
11 district, it is not necessary to duplicate the  
12 substance of those laws in this section by means of  
13 adoption and incorporation by reference. In addition,  
14 this section provides that this chapter prevails in  
15 case of any conflict with another law. The omitted law  
16 reads:

17 Sec. 2. . . . All such General Laws  
18 are hereby incorporated by reference with  
19 the same effect as if incorporated in full  
20 in this Act. . . .

21 Revised Law

22 Sec. 6601.102. DISTRICT POWERS. (a) The district may  
23 construct, acquire, improve, enlarge, extend, repair, maintain, or  
24 replace all walls, dams, dikes, levees, embankments, canals,  
25 drains, tanks, laterals, and pumps that the board considers  
26 necessary to accomplish district purposes.

27 (b) The district may make, construct, or otherwise acquire  
28 improvements in or outside district boundaries as necessary to  
29 implement the powers granted by this chapter and general law. (Acts  
30 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

31 Source Law

32 Sec. 2. . . . said District shall be authorized  
33 to build, construct, purchase, acquire, improve,  
34 enlarge, extend, repair, maintain or replace all  
35 walls, dams, dikes, levees, embankments, canals,  
36 drains, tanks, laterals and pumps which its Board of  
37 Supervisors deems necessary to carry out the purpose  
38 of such District's creation. . . . Said District  
39 shall also have the power to make, construct, or  
40 otherwise acquire improvements either within or  
41 without the boundaries thereof necessary to carry out  
42 the powers and authority granted by this Act and said

1 General Laws. . . .

2 Revisor's Note

3 Section 2, Chapter 43, Acts of the 57th  
4 Legislature, 3rd Called Session, 1962, refers to the  
5 district's authority to "build, construct, purchase,  
6 acquire, improve, enlarge, extend, repair, maintain or  
7 replace" certain items. The revised law omits the term  
8 "build" because it is included in the meaning of  
9 "construct" and omits the term "purchase" because it  
10 is included in the meaning of "acquire."

11 Revised Law

12 Sec. 6601.103. EMINENT DOMAIN. (a) Not by way of  
13 limitation, the district may exercise the right of eminent domain  
14 to acquire the right-of-way over and through private land, except  
15 property used for cemetery purposes, as the board determines  
16 necessary for making the district's canals, drains, ditches,  
17 levees, and other improvements and the necessary outlets for those  
18 improvements. The power of eminent domain is limited to Brazoria  
19 County.

20 (b) Right-of-way in a municipality may not be condemned  
21 without the consent of the governing body of the municipality.

22 (c) The proceedings shall be in the name of the district and  
23 under the direction of its board.

24 (d) An appeal of the findings and damage assessment by the  
25 special commissioners does not suspend the work of the directors in  
26 prosecuting the work in all of its details. (Acts 57th Leg., 3rd  
27 C.S., Ch. 43, Sec. 2 (part).)

28 Source Law

29 Sec. 2. . . . Not by way of limitation, the  
30 District shall have the right of eminent domain to  
31 condemn and acquire the right-of-way over and through  
32 all private lands, except property used for cemetery  
33 purposes, that its Board of Supervisors deems  
34 necessary for making the canals, drains, levees and  
35 other improvements of the District and for making the  
36 necessary outlets thereto, but the power of eminent  
37 domain shall be limited to within the boundaries of  
38 Brazoria County, Texas. No right-of-way shall be  
39 condemned through any part of an incorporated city or  
40 town without the consent of its governing body. Such

1 proceedings shall be in the name of the District and  
2 under the direction of its Supervisors. No appeal from  
3 the findings and assessment of damage by the  
4 commissioners appointed for that purpose shall suspend  
5 the work of the Supervisors in prosecuting the work in  
6 all of its details. . . . Also, the Supervisors are  
7 empowered to acquire the necessary right-of-way for  
8 all canals, drains, ditches and levees and other  
9 necessary improvements of the District by gift, grant,  
10 purchase or condemnation. . . .

11 Revisor's Note

12 (1) Section 2, Chapter 43, Acts of the 57th  
13 Legislature, 3rd Called Session, 1962, refers to "the  
14 right of eminent domain to condemn and acquire" the  
15 right-of-way over and through private lands. The  
16 revised law substitutes "may exercise the right of  
17 eminent domain to acquire" because the phrases have  
18 the same meaning, and the latter phrase is consistent  
19 with modern usage in laws relating to eminent domain.  
20 The revised law omits the reference to "condemn"  
21 because in the context of exercising the power of  
22 eminent domain the right to "condemn" property is  
23 included in the meaning of the right to "acquire"  
24 property.

25 (2) Section 2, Chapter 43, Acts of the 57th  
26 Legislature, 3rd Called Session, 1962, refers to "an  
27 incorporated city or town." The revised law  
28 substitutes the term "municipality" for "city or town"  
29 because "municipality" is the term used in the Local  
30 Government Code and omits "incorporated" because under  
31 that code all municipalities must be incorporated.

32 (3) Section 2, Chapter 43, Acts of the 57th  
33 Legislature, 3rd Called Session, 1962, refers to  
34 "commissioners appointed for that purpose." The  
35 revised law substitutes "special commissioners" for  
36 "commissioners appointed for that purpose" because  
37 that is the term used in Chapter 21, Property Code.

38 (4) Section 2, Chapter 43, Acts of the 57th  
39 Legislature, 3rd Called Session, 1962, provides that

1 the supervisors may acquire right-of-way by "gift,  
2 grant, purchase or condemnation." The revised law  
3 omits the reference to acquiring right-of-way by  
4 "gift, grant [or] purchase" because it duplicates, in  
5 substance, provisions in Section 49.218, Water Code,  
6 applicable to the district under Sections 49.001(a)  
7 and 49.002, Water Code.

8 (5) Section 2, Chapter 43, Acts of the 57th  
9 Legislature, 3rd Called Session, 1962, refers to  
10 "Title 52, Articles 3264 to 3271, both inclusive,  
11 Vernon's Civil Statutes of Texas, together with all  
12 amendments thereof and additions thereto." Those  
13 statutes were codified in 1983 as Chapter 21, Property  
14 Code. The revised law omits the reference because  
15 Section 49.222(b), Water Code, which is applicable to  
16 the district under Sections 49.001(a) and 49.002,  
17 Water Code, provides that the right of eminent domain  
18 is governed by Chapter 21, Property Code. The omitted  
19 law reads:

20 Sec. 2. . . . The District, in  
21 exercising its right of eminent domain,  
22 shall be governed by the provisions of and  
23 in the manner prescribed in Title 52,  
24 Articles 3264 to 3271, both inclusive,  
25 Vernon's Civil Statutes of Texas, together  
26 with all amendments thereof and additions  
27 thereto. . . .

28 Revised Law

29 Sec. 6601.104. COST OF RELOCATING PROPERTY. (a) In this  
30 section, "sole expense" means the actual cost of relocating,  
31 raising, lowering, rerouting, changing the grade of, or altering  
32 the construction of a facility described in Subsection (b) in  
33 providing comparable replacement without enhancement of the  
34 facility, after deducting from that cost the net salvage value of  
35 the old facility.

36 (b) If the district, in the exercise of the power of eminent  
37 domain or relocation or another power granted under this chapter,

1 makes necessary the relocating, raising, rerouting, changing the  
2 grade of, or altering the construction of a highway, a railroad, an  
3 electric transmission line, telephone or telegraph properties and  
4 facilities, or a pipeline, the necessary relocating, raising,  
5 rerouting, changing of grade, or alteration of construction shall  
6 be accomplished at the sole expense of the district. (Acts 57th  
7 Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

8 Source Law

9 Sec. 2. . . . In the event that the District,  
10 in the exercise of the power of eminent domain or power  
11 of relocation, or any other power granted hereunder,  
12 makes necessary the relocation, raising, rerouting or  
13 changing the grade of or altering the construction of  
14 any highway, railroad, electric transmission line,  
15 telephone, or telegraph properties and facilities, or  
16 pipeline, all such necessary relocation, raising,  
17 rerouting, changing of grade or alteration of  
18 construction shall be accomplished at the sole expense  
19 of the District. The term "sole expense" shall mean the  
20 actual cost of such relocation, raising, lowering,  
21 rerouting, or changing in grade or alteration of  
22 construction in providing comparable replacement  
23 without enhancement of such facilities, after  
24 deducting therefrom the net salvage value derived from  
25 the old facility.

26 Revised Law

27 Sec. 6601.105. ADDITION OF TERRITORY TO DISTRICT. (a) In  
28 addition to adding territory as provided by Subchapter J, Chapter  
29 49, Water Code, the district may add territory as provided by this  
30 section. Territory added to the district need not be contiguous to  
31 the district.

32 (b) The owner or owners of land may request by petition that  
33 the board include the land in the district.

34 (c) A petition under Subsection (b) must be filed with the  
35 board and describe the land to be added to the district. The  
36 description may be by metes and bounds or by lot and block number.  
37 The petition must be signed and executed in the manner provided by  
38 law for the conveyance of real estate.

39 (d) The board shall hear and consider a petition filed under  
40 this section. The board may add the land to the district if the  
41 board considers the addition to be to the advantage of the district.

42 (e) A petition granted under this section shall be filed and

1 recorded in the deed records of Brazoria County. (Acts 57th Leg.,  
2 3rd C.S., Ch. 43, Sec. 11.)

3 Source Law

4 Sec. 11. Land, contiguous to said District or  
5 otherwise, may be added to said District not only in  
6 the manner now provided by Chapter 4, Title 128,  
7 Revised Civil Statutes of Texas, 1925, as amended, but  
8 also land may be added to such District and become a  
9 part thereof upon petition of the owner or owners  
10 thereof in the following manner; the owner or owners  
11 of the land shall file with the Board of Supervisors a  
12 petition praying that the lands described be added to  
13 and become a part of said District, and said petition  
14 may describe said land by metes and bounds or by lot  
15 and block number and shall be signed and executed in  
16 the same manner provided by law for the conveyance of  
17 real estate. Such petition shall be heard and  
18 considered by the Board of Supervisors and may be  
19 granted and said land added to the District if same is  
20 considered to be to the advantage of the District. Any  
21 such petition which may be granted so adding lands to  
22 the District shall be filed for record and be recorded  
23 in the Brazoria County Deed Records.

24 Revisor's Note

25 Section 11, Chapter 43, Acts of the 57th  
26 Legislature, 3rd Called Session, 1962, refers to  
27 "Chapter 4, Title 128, Revised Civil Statutes of  
28 Texas." For the reason stated in the revisor's note to  
29 Section 6601.004, the revised law substitutes  
30 "Subchapter J, Chapter 49, Water Code," as the  
31 successor to Chapter 4, Title 128.

32 Revised Law

33 Sec. 6601.106. MOSQUITO HAZARD. (a) The legislature finds  
34 that to properly drain and reclaim overflowed lands and other lands  
35 needing drainage within the district and to restore and preserve  
36 its waters for beneficial use, it is necessary to reduce and  
37 alleviate the mosquito hazard existing in and around the lands  
38 needing drainage.

39 (b) The board may purchase the equipment and supplies  
40 necessary to conduct mosquito control work and may pay for the labor  
41 necessary to operate and maintain the equipment from money  
42 available for that purpose.

43 (c) If the board determines that an election should be held

1 to impose a tax for mosquito control work, the tax must be:

2 (1) submitted to the voters in a separate proposition  
3 from any bond tax, maintenance tax, or other tax of the district  
4 considered at the same election; and

5 (2) authorized in the manner provided by Section  
6 49.107, Water Code.

7 (d) The board may enter into a contract with a person, firm,  
8 partnership, or corporation as necessary to obtain and provide  
9 mosquito control. All available revenue accruing from the mosquito  
10 control may be used to defray the cost of the control.

11 (e) Section 311.005(2), Government Code (Code Construction  
12 Act), does not apply to this section. (Acts 57th Leg., 3rd C.S., Ch.  
13 43, Sec. 8; New.)

14 Source Law

15 Sec. 8. It is hereby found and declared that,  
16 properly to drain and reclaim its overflowed lands and  
17 other lands needing drainage within said District and  
18 to restore and preserve its waters for beneficial use,  
19 it is necessary to diminish, alleviate, reduce and  
20 otherwise relieve the mosquito hazard existing in and  
21 around said lands needing drainage. The District's  
22 Supervisors are authorized and empowered to purchase  
23 equipment and supplies necessary to conduct mosquito  
24 control work and to pay for the labor necessary to  
25 operate and maintain such equipment, when in their  
26 judgment the necessity therefor exists, to be paid for  
27 from funds lawfully available for such purpose;  
28 provided, however, if the Board of Supervisors  
29 determines that an election shall be held to levy taxes  
30 for such purpose, then such tax shall be voted upon as  
31 a separate proposition from all bond taxes,  
32 maintenance taxes, or other taxes authorized to be  
33 voted, levied, assessed and collected by said  
34 District. Such tax for such work shall be voted upon  
35 and authorized in the manner provided by Articles 7955  
36 and 7956, Vernon's Annotated Texas Civil Statutes, as  
37 amended. Said Supervisors may also enter into such  
38 contracts as they deem necessary with persons, firms,  
39 partnerships and corporations, or any of them, with  
40 reference to obtaining and providing such mosquito  
41 control, and all available revenues accruing therefrom  
42 may be used to defray the cost of same.

43 Revisor's Note

44 (1) Section 8, Chapter 43, Acts of the 57th  
45 Legislature, 3rd Called Session, 1962, states that it  
46 is necessary to "diminish, alleviate, reduce and  
47 otherwise relieve" the mosquito hazard existing in the

1 district. The revised law omits the term "diminish"  
2 because it is included in the meaning of "reduce" and  
3 omits the term "relieve" because it is included in the  
4 meaning of "alleviate."

5 (2) Section 8, Chapter 43, Acts of the 57th  
6 Legislature, 3rd Called Session, 1962, grants the  
7 supervisors authority to purchase the equipment and  
8 supplies necessary to conduct mosquito control work  
9 "when in their judgment the necessity therefor  
10 exists." The revised law omits the quoted language  
11 because the board's authority to conduct mosquito  
12 control work when necessary requires a determination  
13 by the board that the work is necessary.

14 (3) Section 8, Chapter 43, Acts of the 57th  
15 Legislature, 3rd Called Session, 1962, allows the  
16 board to make payments for mosquito control work from  
17 funds "lawfully" available. The revised law omits the  
18 term "lawfully" because the board may use only funds  
19 allowed by law, without an express statement to that  
20 effect.

21 (4) Section 8, Chapter 43, Acts of the 57th  
22 Legislature, 3rd Called Session, 1962, refers to taxes  
23 authorized to be "levied, assessed and collected" by  
24 the district. The revised law substitutes "imposed"  
25 for "levied, assessed and collected" because "impose"  
26 is the term generally used in Title 1, Tax Code, and  
27 includes the assessment, levying, and collection of an  
28 ad valorem tax.

29 (5) Section 8, Chapter 43, Acts of the 57th  
30 Legislature, 3rd Called Session, 1962, refers to  
31 Articles 7955 and 7956, Vernon's Texas Civil Statutes.  
32 Chapter 58, Acts of the 62nd Legislature, 1971,  
33 codified these statutes as Sections 53.197 and 53.198,  
34 Water Code, respectively. Chapter 715, Acts of the

1 74th Legislature, 1995, repealed both of these  
2 sections and replaced them with Section 49.107, Water  
3 Code. The revised law is drafted accordingly.

4 (6) Section 8, Chapter 43, Acts of the 57th  
5 Legislature, 3rd Called Session, 1962, authorizes the  
6 district to contract with "persons, firms,  
7 partnerships, and corporations" to obtain or provide  
8 mosquito control. Because the definition of "person"  
9 in Section 311.005(2), Government Code (Code  
10 Construction Act), which applies to the revised law  
11 under Section 311.002, Government Code, may give a  
12 broader meaning to that term than intended by the term  
13 as used in Section 8, the revised law adds a provision  
14 indicating that Section 311.005(2) does not apply in  
15 this particular instance.

#### 16 Revised Law

17 Sec. 6601.107. AWARD OF CONTRACTS. A contract for the  
18 making or construction of a district improvement and all necessary  
19 work related to the improvement shall be awarded to the lowest  
20 responsible bidder in the manner provided by Article 7919, Revised  
21 Statutes, as amended, if the cost exceeds \$2,000. (Acts 57th Leg.,  
22 3rd C.S., Ch. 43, Sec. 2 (part).)

#### 23 Source Law

24 Sec. 2. . . . Contracts for the making and  
25 construction of all the District's improvements and  
26 all necessary work in connection therewith, when the  
27 cost price exceeds Two Thousand Dollars (\$2,000.),  
28 shall be let to the lowest responsible bidder in the  
29 manner provided by Article 7919, Vernon's Annotated  
30 Civil Statutes, as amended. . . .

#### 31 Revisor's Note

32 Section 2, Chapter 43, Acts of the 57th  
33 Legislature, 3rd Called Session, 1962, refers to  
34 Article 7919, Vernon's Annotated Civil Statutes. That  
35 article was repealed by Chapter 58, Acts of the 72nd  
36 Legislature, Regular Session, 1971, which enacted the  
37 Water Code. A statutory provision that is the clear

1 successor to the relevant part of Article 7919 is not  
2 apparent. As a result, the reference to Article 7919  
3 is ambiguous. The revised law keeps the reference to  
4 preserve that ambiguity.

5 Revisor's Note  
6 (End of Subchapter)

7 (1) Section 2, Chapter 43, Acts of the 57th  
8 Legislature, 3rd Called Session, 1962, refers to the  
9 district's authority to act jointly with other  
10 entities. The revised law omits the provision because  
11 it duplicates, in substance, provisions in Section  
12 49.227, Water Code, that provide the district with  
13 authority to act jointly. Section 49.227 applies to  
14 the district under Sections 49.001(a) and 49.002,  
15 Water Code. The omitted law reads:

16 Sec. 2. . . . Said District shall  
17 have authority to act jointly with  
18 individuals, with firms, with partnerships,  
19 with corporations, with other districts,  
20 with political subdivisions of the state,  
21 with other states, with cities and towns and  
22 with the federal government in the  
23 performance and accomplishment of any of  
24 the things permitted hereunder upon such  
25 terms and conditions as may be deemed  
26 advisable by said District's Board of  
27 Supervisors. . . .

28 (2) Section 9, Chapter 43, Acts of the 57th  
29 Legislature, 3rd Called Session, 1962, provides that  
30 an existing contract may not be impaired by the  
31 creation of the district. The revised law omits the  
32 provision because it duplicates Section 16, Article I,  
33 Texas Constitution, which provides that no law may  
34 impair contracts. The omitted law reads:

35 Sec. 9. . . . No existing contracts  
36 of said Old District shall be impaired by  
37 the creation of this District.

38 [Sections 6601.108-6601.150 reserved for expansion]

39 SUBCHAPTER D. BONDS AND TAXES

40 Revised Law

41 Sec. 6601.151. LIMITATION ON DEBT. The total principal

1 amount of bonds that the district may have outstanding at any time  
2 may not exceed 10 percent of the assessed value of all taxable  
3 property in the district according to the most recent certified  
4 appraisal roll of the district. (Acts 57th Leg., 3rd C.S., Ch. 43,  
5 Sec. 2 (part).)

6 Source Law

7 Sec. 2. . . . The total principal amount of  
8 bonds which said District may have issued and  
9 outstanding at any one time shall not exceed ten  
10 percent (10%) of the last approved assessed valuations  
11 of all taxable property within said District; and,  
12 . . . .

13 Revisor's Note

14 (1) Section 2, Chapter 43, Acts of the 57th  
15 Legislature, 3rd Called Session, 1962, refers to bonds  
16 that are "issued and outstanding." The revised law  
17 omits the reference to "issued" as unnecessary because  
18 for a bond to be "outstanding" it must have been  
19 issued.

20 (2) Section 2, Chapter 43, Acts of the 57th  
21 Legislature, 3rd Called Session, 1962, refers to the  
22 "last approved assessed valuations" of property in the  
23 district. The revised law substitutes a reference to  
24 the certified assessed value according to the most  
25 recent "appraisal roll" to conform to the terminology  
26 of Title 1, Tax Code.

27 Revised Law

28 Sec. 6601.152. APPROVAL BY TEXAS COMMISSION ON  
29 ENVIRONMENTAL QUALITY. Before the district spends any money  
30 received from the sale of its bonds, the district must submit the  
31 plans and specifications of the proposed improvements to the Texas  
32 Commission on Environmental Quality for approval. If any  
33 substantial changes are made in the plans, the changes must also be  
34 submitted to the commission for approval. (Acts 57th Leg., 3rd  
35 C.S., Ch. 43, Sec. 2 (part).)

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Source Law

Sec. 2. . . . provided, that before said District shall expend any moneys received from the sale of any bonds it may hereafter issue, sell and deliver, it shall submit the plans and specifications of the improvements proposed to be constructed with said moneys to the Board of Water Engineers of Texas for approval, and if any substantial changes are thereafter made in such plans, such changes shall also be submitted to said Board for approval. . . .

Revisor's Note

(1) Section 2, Chapter 43, Acts of the 57th Legislature, 3rd Called Session, 1962, requires state approval before the district may spend the proceeds of bonds the district "may hereafter issue, sell and deliver." The revised law omits the quoted language as unnecessary since only bonds that are issued, sold, and delivered will produce money for the district.

(2) Section 2, Chapter 43, Acts of the 57th Legislature, 3rd Called Session, 1962, refers to the "Board of Water Engineers of Texas." The revised law substitutes "Texas Commission on Environmental Quality," the name of the agency now authorized to approve the plans, for "Board of Water Engineers of Texas." The name of the Board of Water Engineers, created by Chapter 171, General Laws, Acts of the 33rd Legislature, Regular Session, 1913, was changed to the Texas Water Commission by Chapter 4, Acts of the 57th Legislature, 3rd Called Session, 1962. The name of the agency was changed to the Texas Water Rights Commission by Chapter 296, Acts of the 59th Legislature, Regular Session, 1965. In 1977, Sections 1 and 9, Chapter 870, Acts of the 65th Legislature, Regular Session, changed the name of the agency to the Texas Water Commission. The name of the Texas Water Commission was changed to the Texas Natural Resource Conservation Commission by Section 1.085, Chapter 3, Acts of the 72nd Legislature, 1st Called Session,

1 1991. The name of the Texas Natural Resource  
2 Conservation Commission was changed to the Texas  
3 Commission on Environmental Quality by Section 18.01,  
4 Chapter 965, Acts of the 77th Legislature, 2001. The  
5 revised law is drafted accordingly.

6 Revised Law

7 Sec. 6601.153. CONTINUATION OF PREVIOUS MAINTENANCE  
8 TAX. The district may continue to levy a maintenance tax  
9 authorized by Chapter 9, Special Laws, Acts of the 41st  
10 Legislature, 4th Called Session, 1930. (Acts 57th Leg., 3rd C.S.,  
11 Ch. 43, Secs. 5 (part), 9 (part).)

12 Source Law

13 Sec. 5. . . . provided, however, that nothing  
14 herein shall be construed as preventing said Board  
15 from continuing to levy, assess and collect its  
16 maintenance taxes in the same manner as the Old  
17 District, if said Board so desires. . . .

18 Sec. 9. . . . Also said District shall be  
19 authorized to continue to levy, assess and collect  
20 maintenance taxes heretofore authorized for the Old  
21 District but . . . .

22 Revisor's Note

23 (1) Sections 5 and 9, Chapter 43, Acts of the  
24 57th Legislature, 3rd Called Session, 1962, provide  
25 that the district may levy, assess, and collect  
26 maintenance taxes authorized by and in the same manner  
27 as the previous district. The revised law omits  
28 references to assessing and collecting taxes in the  
29 same manner as the previous district because a  
30 property tax now must be assessed and collected in the  
31 manner required by Title 1, Tax Code (see Revisor's  
32 Note (2) at the end of this subchapter).

33 (2) Sections 5 and 9, Chapter 43, Acts of the  
34 57th Legislature, 3rd Called Session, 1962, refer to a  
35 maintenance tax authorized by the "Old District." The  
36 revised law substitutes for that term a reference to  
37 the session law creating the "Old District" to provide

1 specificity.

2 Revised Law

3 Sec. 6601.154. DISTRICT TAX ASSESSOR AND COLLECTOR. The  
4 assessor and collector of taxes for Brazoria County is the assessor  
5 and collector of taxes for the district. (Acts 57th Leg., 3rd C.S.,  
6 Ch. 43, Sec. 5 (part).)

7 Source Law

8 Sec. 5. The Assessor and Collector of taxes in  
9 Brazoria County shall, ex officio, be the Assessor and  
10 Collector of taxes for the District, and . . . .

11 Revisor's Note  
12 (End of Subchapter)

13 (1) Section 5, Chapter 43, Acts of the 57th  
14 Legislature, 3rd Called Session, 1962, provides that  
15 the manner of imposing taxes by the district is  
16 governed by the general laws applicable to fresh water  
17 supply districts. The revised law omits that  
18 provision as unnecessary for the reason stated in  
19 Revisor's Note (1) to Section 6601.153. The omitted  
20 law reads:

21 Sec. 5. . . . except as herein  
22 provided, taxes shall be levied and  
23 collected under the provisions of the  
24 General Laws applicable to fresh water  
25 supply districts; . . . .

26 (2) Section 5, Chapter 43, Acts of the 57th  
27 Legislature, 3rd Called Session, 1962, includes  
28 various provisions relating to procedures for the  
29 assessment and collection of property taxes. Section  
30 5 has not been amended since its adoption in 1962. In  
31 1979, the legislature enacted Title 1, Tax Code  
32 (Property Tax Code), in Chapter 841, Acts of the 66th  
33 Legislature, Regular Session, 1979. Section 6(b),  
34 Chapter 841, provides that all general, local, and  
35 special laws in conflict with Title 1, Tax Code, are  
36 repealed to the extent of the conflict. Title 1, Tax  
37 Code, provides a comprehensive method for the

1 assessment and collection of taxes. Since the  
2 Property Tax Code was enacted in 1979, it supersedes  
3 the provisions of Section 5 that relate to the  
4 procedure for the assessment and collection of taxes.  
5 The omitted law reads:

6           Sec. 5. . . . The blanks used by the  
7 Assessor and Collector to accept rendition  
8 of property for taxation by Brazoria County  
9 shall be printed so as to show that the  
10 rendition of property situated in the  
11 District is also made for the benefit of the  
12 District. The property which is situated in  
13 the District shall be clearly indicated on  
14 the approved tax rolls in the office of the  
15 Assessor and Collector. The value of  
16 property situated in the District as  
17 equalized by the Board of Equalization of  
18 Brazoria County, finally approved by the  
19 Commissioners Court of Brazoria County and  
20 as extended on the approved tax rolls of  
21 Brazoria County, shall constitute the  
22 assessed values of such property for  
23 purposes of District taxation. Within five  
24 (5) days after the approval of the report of  
25 the Board of Equalization by the  
26 Commissioners Court of Brazoria County,  
27 said Assessor and Collector of taxes shall  
28 certify to the District the total assessed  
29 valuation of property situated in the  
30 District according to such approved rolls.

31           (3) Section 6, Chapter 43, Acts of the 57th  
32 Legislature, 3rd Called Session, 1962, provides for  
33 payment of a fee to the Brazoria County Tax Assessor  
34 and Collector for the assessment and collection of  
35 current and delinquent taxes. Section 6 has not been  
36 amended since its adoption in 1962. In 1979, the  
37 legislature enacted Title 1, Tax Code (Property Tax  
38 Code), in Chapter 841, Acts of the 66th Legislature,  
39 Regular Session, 1979. Section 6(b), Chapter 841,  
40 provides that all general, local, and special laws in  
41 conflict with Title 1, Tax Code, are repealed to the  
42 extent of the conflict. Title 1, Tax Code, includes  
43 conflicting provisions on both the compensation of a  
44 county tax assessor-collector for the assessment and  
45 collection of property taxes for another political  
46 subdivision (Section 6.27, Tax Code) and the

1 collection of delinquent taxes, including the fees the  
2 county tax assessor-collector may charge (Chapter 33,  
3 Tax Code). Since Title 1, Tax Code, was enacted in  
4 1979, it supersedes Section 6. The omitted law reads:

5           Sec. 6. For his services rendered to  
6 the District in assessing and collecting  
7 taxes for the District, the Brazoria County  
8 Tax Assessor and Collector shall be  
9 entitled to deduct from all taxes thus  
10 collected on the current year's tax rolls a  
11 sum as agreed upon by the Board of  
12 Supervisors, not to exceed the amount  
13 provided by the General Laws relative to the  
14 assessment, levy and collection of ad  
15 valorem taxes, and for the collection of  
16 delinquent taxes compensation in like  
17 manner to that which he receives in  
18 collecting delinquent state and county  
19 taxes, provided that no duplicated charge  
20 shall be made for costs of suit where a  
21 charge is made in reference to enforcement  
22 of state and county taxes.

23           (4) Section 9, Chapter 43, Acts of the 57th  
24 Legislature, 3rd Called Session, 1962, provides that  
25 nothing in the Act shall prevent the district from  
26 imposing a new maintenance tax in "accordance with  
27 this Act and Articles 7955 and 7956, Vernon's Annotated  
28 Texas Civil Statutes, as amended." As described in  
29 Revisor's Note (5) to Section 6601.106, Articles 7955  
30 and 7956 have been codified as Section 49.107, Water  
31 Code. Section 49.107 applies to the district under  
32 Sections 49.001(a) and 49.002, Water Code, and  
33 authorizes the district to levy and collect a  
34 maintenance tax. The revised law omits this provision  
35 as unnecessary since nothing in this chapter prevents  
36 the district from imposing a new maintenance tax. The  
37 omitted law reads:

38           Sec. 9. . . . nothing shall prevent  
39 such District from voting new maintenance  
40 taxes, as its Board of Supervisors may deem  
41 necessary, in accordance with the  
42 provisions of this Act and Articles 7955 and  
43 7956, Vernon's Annotated Texas Civil  
44 Statutes, as amended. . . .

1 Revisor's Note  
2 (End of Chapter)

3 (1) Section 9, Chapter 43, Acts of the 57th  
4 Legislature, 3rd Called Session, 1962, requires the  
5 re-created Angleton Drainage District to take over all  
6 the properties, rights, liabilities, assets, and taxes  
7 of the previous district and validates any maintenance  
8 tax levied, assessed, or collected by the previous  
9 district and the proceedings authorizing that tax. The  
10 revised law omits those provisions as executed. The  
11 omitted law reads:

12 Sec. 9. This District shall take over  
13 all properties, rights, liabilities and  
14 assets of the Old District (including, but  
15 not limited to, all rights, titles, and  
16 interests whatever in and to land and other  
17 property heretofore acquired or being  
18 acquired by condemnation or otherwise by  
19 said Old District), and all taxes levied and  
20 collected on behalf of said Old District  
21 shall be the property of this District, and  
22 said taxes shall be used and expended solely  
23 for the purpose for and the area over which  
24 same were voted, levied, and collected. All  
25 maintenance taxes heretofore levied,  
26 assessed and collected on behalf of such  
27 District, and the proceedings authorizing  
28 such levy, assessment and collection, are  
29 hereby in all things validated. . . .

30 (2) Section 13, Chapter 43, Acts of the 57th  
31 Legislature, 3rd Called Session, 1962, provides that  
32 any part of the act held invalid by a court is  
33 severable. The revised law omits Section 13 as  
34 unnecessary because it duplicates Section 311.032,  
35 Government Code (Code Construction Act), applicable to  
36 the revised law, which states a provision of a statute  
37 is severable from each other provision of a statute  
38 that can be given effect. The omitted law reads:

39 Sec. 13. If any word, phrase, clause,  
40 sentence, paragraph, Section, or other part  
41 of this Act or the application thereof to  
42 any person or circumstance, shall ever be  
43 held by a court of competent jurisdiction to  
44 be invalid or unconstitutional, the  
45 remainder of this Act and the application of  
46 such word, phrase, clause, sentence,  
47 paragraph, Section, or other part of this

1 Act to other persons or circumstances shall  
2 not be affected thereby.

3 [Chapters 6602-6900 reserved for expansion]

4 SUBTITLE B. FRESH WATER SUPPLY DISTRICTS

5 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF  
6 GALVESTON COUNTY

7 SUBCHAPTER A. GENERAL PROVISIONS

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12 [Sections 6901.005-6901.050 reserved for expansion]

13 SUBCHAPTER B. POWERS AND DUTIES

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25 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF  
26 GALVESTON COUNTY

27 SUBCHAPTER A. GENERAL PROVISIONS

28 Revised Law

29 Sec. 6901.001. DEFINITIONS. In this chapter:

30 (1) "Board" means the board of directors of the  
31 district.

32 (2) "District" means the Bayview Municipal Utility  
33 District of Galveston County, Texas. (V.A.C.S. Art. 8280-287, Sec.  
34 1 (part); New.)



1 (b) The legislature finds that:

2 (1) the district is created to serve a public use and  
3 benefit; and

4 (2) all land and other property included in the  
5 district are, and will be, benefited by the creation of the district  
6 and the improvements that the district purchases, constructs, or  
7 otherwise acquires. (V.A.C.S. Art. 8280-287, Secs. 7 (part), 8.)

8 Source Law

9 Sec. 7. It is hereby found and determined that  
10 all of the lands and other property included within the  
11 District are, and will be, benefited by the creation of  
12 the District and by the improvements that the District  
13 will purchase, construct, or otherwise acquire, and  
14 that the District is created to serve a public use and  
15 benefit. . . .

16 Sec. 8. The Legislature hereby exercises the  
17 authority conferred upon it by Section 59 of Article  
18 XVI, Constitution of Texas, and declares that the  
19 District created by this Act is essential to the  
20 accomplishment of the purposes of said constitutional  
21 provision; and declares the District to be a  
22 governmental agency, a body politic and corporate, and  
23 a municipal corporation.

24 Revisor's Note

25 (1) Section 8, V.A.C.S. Article 8280-287,  
26 refers to the legislature's exercising its authority  
27 under Section 59, Article XVI, Texas Constitution,  
28 which authorizes the legislature to create  
29 conservation and reclamation districts. The revised  
30 law omits that reference as executed.

31 (2) Section 8, V.A.C.S. Article 8280-287,  
32 declares the district to be "a governmental agency"  
33 and "a body politic and corporate." The revised law  
34 omits the quoted language because the language is  
35 substantively identical to Section 59(b), Article XVI,  
36 Texas Constitution. The policy of the legislative  
37 council's statutory revision program is to omit from  
38 the revised codes the duplicating statutory provisions  
39 because a statute that tracks the language of the  
40 constitution is not only superfluous but may foster  
41 the erroneous belief that a constitutional requirement

1 is merely statutory and subject to amendment through  
2 the ordinary legislative process.

3 Revised Law

4 Sec. 6901.004. TERRITORY OF DISTRICT. The district is  
5 composed of the territory described by Section 1, Chapter 245, Acts  
6 of the 58th Legislature, Regular Session, 1963 (V.A.C.S.  
7 Art. 8280-287), as that territory may have been modified under:

8 (1) Section 6901.058 or its predecessor statute,  
9 Section 5, Chapter 245, Acts of the 58th Legislature, Regular  
10 Session, 1963 (V.A.C.S. Art. 8280-287);

11 (2) Chapter 4, Title 128, Revised Statutes, before  
12 August 30, 1971;

13 (3) Subchapter G, Chapter 53, Water Code, before  
14 September 1, 1995;

15 (4) Subchapter J, Chapter 49, Water Code; or

16 (5) other law. (New.)

17 Revisor's Note

18 The revised law does not revise the statutory  
19 language describing the territory of the Bayview  
20 Municipal Utility District to avoid the lengthy  
21 recitation of the description and because that  
22 description may not be accurate on the effective date  
23 of the revision or at the time of a later reading. For  
24 the reader's convenience, the revised law adds  
25 references to the statutory description of the  
26 district's territory and to statutory authority to  
27 change the district's territory under the district's  
28 law, Section 5, Chapter 245, Acts of the 58th  
29 Legislature, Regular Session, 1963 (revised in this  
30 chapter as Section 6901.058). The revised law also  
31 includes a reference to authority to change the  
32 district's territory under general law. When the  
33 district was created in 1963, this authority was  
34 located in Chapter 4, Title 128, Revised Statutes.

1 Chapter 58, Acts of the 62nd Legislature, Regular  
2 Session, 1971, codified these provisions in Subchapter  
3 G, Chapter 53, Water Code. Chapter 715, Acts of the  
4 74th Legislature, Regular Session, 1995, repealed the  
5 Chapter 53 provisions relating to the addition or  
6 removal of territory and enacted similar provisions as  
7 Subchapter J, Chapter 49, Water Code. Chapter 49  
8 applies to the district under Sections 49.001(a) and  
9 49.002 of that chapter. The revised law also includes  
10 a reference to the general authority of the  
11 legislature to enact other laws to change the  
12 district's territory.

13 [Sections 6901.005-6901.050 reserved for expansion]

14 SUBCHAPTER B. POWERS AND DUTIES

15 Revised Law

16 Sec. 6901.051. GENERAL POWERS AND DUTIES. The district has  
17 all the rights, powers, privileges, and duties conferred and  
18 imposed by a general law of this state on a fresh water supply  
19 district created under Section 59, Article XVI, Texas Constitution,  
20 including Chapters 49 and 53, Water Code. (V.A.C.S. Art. 8280-287,  
21 Sec. 2 (part).)

22 Source Law

23 Sec. 2. The District shall have and exercise,  
24 and is hereby vested with, all of the rights, powers,  
25 privileges and duties conferred and imposed by the  
26 General Laws of the State of Texas now in force or  
27 hereafter enacted, applicable to fresh water supply  
28 districts created under authority of Section 59 of  
29 Article XVI, Constitution of Texas, but . . . .  
30 Without in any way limiting the generalization of the  
31 foregoing, it is expressly provided the District shall  
32 have and exercise, and is hereby vested with, all of  
33 the rights, powers, privileges and duties conferred  
34 and imposed by Chapter 4 of Title 128, Revised Civil  
35 Statutes of Texas, 1925, together with all amendments  
36 thereto and additions thereto, . . . .

37 Revisor's Note

38 (1) Section 2, V.A.C.S. Article 8280-287,  
39 refers to "Chapter 4 of Title 128, Revised Civil  
40 Statutes of Texas, 1925." In 1971, Chapter 4, Title

1 128, Revised Statutes, was codified as Chapter 53,  
2 Water Code, by Chapter 58, Acts of the 62nd  
3 Legislature, Regular Session, 1971. In 1995, Chapter  
4 715, Acts of the 74th Legislature, Regular Session,  
5 1995, repealed portions of Chapter 53 and replaced  
6 those portions with Chapter 49, Water Code. Chapter 49  
7 is applicable to the district in this chapter by  
8 operation of Sections 49.001(a) and 49.002, Water  
9 Code. The revised law substitutes references to  
10 Chapters 49 and 53, Water Code, to reflect these  
11 changes.

12 (2) Section 2, V.A.C.S. Article 8280-287,  
13 provides that certain general laws referenced by  
14 Section 2 are incorporated by reference. The revised  
15 law omits the provision as unnecessary. Because this  
16 chapter references the general laws that apply to the  
17 district, it is not necessary to duplicate the  
18 substance of those laws in this section by means of  
19 incorporation. The omitted law reads:

20 Sec. 2. . . . All such General Laws  
21 are hereby incorporated by reference with  
22 the same effect as if incorporated in full  
23 in this Act. . . .

24 (3) Section 2, V.A.C.S. Article 8280-287,  
25 refers to powers granted by Articles 7930-4, 7941c,  
26 and 7880-139, Vernon's Texas Civil Statutes. The  
27 revised law omits the references as unnecessary  
28 because each of these provisions, which were included  
29 in the 1971 codification of Chapter 53, Water Code, is  
30 now either contained in Chapter 53, Water Code, or has  
31 been replaced by Chapter 49, Water Code, both of which  
32 apply to the district. The omitted law reads:

33 Sec. 2. . . . [the District shall  
34 have . . . all powers] . . . including all  
35 powers and authority relating to sanitary  
36 sewer systems and the issuance of bonds  
37 therefor as authorized by and provided in  
38 Chapter 129, Acts of the 47th Legislature of

1 Texas, Regular Session, 1941, (Article  
2 7930-4, Vernon's Texas Civil Statutes,  
3 1925, as amended), including the power and  
4 authority to issue tax bonds, revenue bonds  
5 or tax-revenue bonds as authorized by and  
6 provided in Chapter 233, Acts of the 52nd  
7 Legislature of Texas, Regular Session,  
8 1951, (Article 7941c, Vernon's Texas Civil  
9 Statutes, as amended). Provided, however,  
10 that before issuing any construction bonds  
11 said District shall submit plans and  
12 specifications therefor to the Texas Water  
13 Commission (successor to State Board of  
14 Water Engineers) for approval in the manner  
15 required by Acts of the 57th Legislature,  
16 Regular Session, Chapter 336, 1961,  
17 codified in Vernon's Annotated Civil  
18 Statutes of Texas as Article 7880-139, and  
19 said District's project and improvements  
20 during the course of construction shall be  
21 subject to inspection in the manner  
22 provided by said Article 7880-139. . . .

23 Revised Law

24 Sec. 6901.052. RELATION TO OTHER LAW. This chapter  
25 prevails over a provision of a general law described by Section  
26 6901.051 that conflicts with or is inconsistent with this chapter.  
27 (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

28 Source Law

29 Sec. 2. . . . to the extent that the provisions  
30 of such General Laws may be in conflict or inconsistent  
31 with the provisions of this Act, the provisions of this  
32 Act shall prevail. . . .

33 Revised Law

34 Sec. 6901.053. BOARD OF DIRECTORS. The board consists of  
35 five directors. (V.A.C.S. Art. 8280-287, Sec. 3 (part).)

36 Source Law

37 Sec. 3. The management and control of the  
38 District is hereby vested in a Board of five (5)  
39 Supervisors . . . .

40 Revisor's Note

41 (1) Section 3, V.A.C.S. Article 8280-287,  
42 provides that the "management and control" of the  
43 district is vested in the board. The revised law omits  
44 this provision as unnecessary because it duplicates,  
45 in substance, the authority contained in Sections  
46 49.051 and 49.057(a), Water Code, applicable to the  
47 revised law under Sections 49.001(a) and 49.002, Water

1 Code.

2 (2) Section 3, V.A.C.S. Article 8280-287,  
3 refers to a board of "Supervisors." Throughout this  
4 chapter, the revised law substitutes "directors" for  
5 "supervisors" to conform to the terminology of  
6 Subchapter C, Chapter 49, Water Code.

7 (3) Section 3, V.A.C.S. Article 8280-287,  
8 refers to the powers and authority and duties  
9 conferred and imposed on the board under Chapter 4,  
10 Title 128, Revised Civil Statutes of Texas, 1925. The  
11 revised law omits the reference to Chapter 4, Title  
12 128, Civil Statutes, for the reason stated in Revisor's  
13 Note (1) to Section 6901.051. The revised law omits  
14 the reference to the board's powers, authority, and  
15 duties because Chapter 49, Water Code, now provides  
16 for the powers and duties of the board and that chapter  
17 applies to the board of the district under Sections  
18 49.001(a) and 49.002, Water Code. It is not necessary  
19 to repeat the application in the revised law. The  
20 omitted law reads:

21 Sec. 3. . . . a Board . . . which  
22 shall have all of the powers and authority  
23 and duties conferred and imposed upon  
24 Boards of Supervisors of fresh water supply  
25 districts organized under the provisions of  
26 Chapter 4 of Title 128, Revised Civil  
27 Statutes of Texas, 1925, together with all  
28 amendments thereof and additions  
29 thereto. . . .

30 Revised Law

31 Sec. 6901.054. LIMITATION ON USE OF EMINENT DOMAIN. The  
32 district may not exercise the power of eminent domain outside the  
33 boundaries of the district. (V.A.C.S. Art. 8280-287, Sec. 2  
34 (part).)

35 Source Law

36 Sec. 2. . . . the exercise of the power of  
37 eminent domain shall not extend beyond the boundaries  
38 of the District. . . .

1 Revised Law

2 Sec. 6901.055. LIMITATION ON LENGTH OF CERTAIN  
3 CONTRACTS. A district contract for the purchase or sale of water  
4 may not exceed 40 years. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

5 Source Law

6 Sec. 2. . . . The powers of its Board of  
7 Supervisors shall include, but not be limited to, the  
8 right to enter into District contracts for the  
9 purchase and sale, or either, of water for such periods  
10 of time, not exceeding forty (40) years, and on such  
11 terms and conditions as its Board of Supervisors may  
12 deem desirable. . . .

13 Revisor's Note

14 The revised law omits the part of Section 2,  
15 V.A.C.S. Article 8280-287, that allows the district to  
16 enter into a water contract on terms the board finds  
17 desirable, because it duplicates, in substance, the  
18 authority contained in Sections 49.213 and 49.2261,  
19 Water Code, applicable to the revised law under  
20 Sections 49.001(a) and 49.002, Water Code. The  
21 revised law retains the limitation imposed on the  
22 length of a water contract because such a limitation is  
23 not contained in Section 49.213 or 49.2261, Water  
24 Code, and, except as specifically provided by another  
25 provision of Chapter 49, Water Code, because under  
26 Section 49.002, Water Code, a conflict between Chapter  
27 49 and a special law creating or affecting a district  
28 is resolved in favor of the special law.

29 Revised Law

30 Sec. 6901.056. INSTALLATION OF STREET LIGHTS. (a) After  
31 voter approval, the district may:

32 (1) install, operate, and maintain street lighting  
33 within a public utility easement or public right-of-way inside the  
34 district's boundaries; and

35 (2) assess the cost of installing, operating, and  
36 maintaining the street lighting as an additional charge in the  
37 monthly billings of the district's customers.

1 (b) This section does not authorize the district to install,  
2 operate, or maintain street lighting on a right-of-way that is part  
3 of the designated state highway system. (V.A.C.S. Art. 8280-287,  
4 Sec. 2A.)

5 Source Law

6 Sec. 2A. (a) After voter approval, the District  
7 may:

8 (1) install, operate, and maintain street  
9 lighting within a public utility easement or public  
10 right-of-way inside the District's boundaries; and

11 (2) assess the cost of installing,  
12 operating, and maintaining the street lighting as an  
13 additional charge in the monthly billings of the  
14 District's customers.

15 (b) This section does not authorize the District  
16 to install, operate, or maintain street lighting on a  
17 right-of-way that is part of the designated state  
18 highway system.

19 Revised Law

20 Sec. 6901.057. DISTRICT TAX ASSESSOR AND COLLECTOR. (a)  
21 The board shall appoint a tax assessor and collector for the  
22 district for a period not to exceed the term of office of the  
23 directors making the appointment.

24 (b) The district's tax assessor and collector is not  
25 required to be a resident or voter of the district. (V.A.C.S.  
26 Art. 8280-287, Sec. 4 (part).)

27 Source Law

28 Sec. 4. . . . the District's Tax Assessor and  
29 Collector shall be appointed by the Board of  
30 Supervisors for a term not to exceed the term of office  
31 of the members of the Board making such appointment,  
32 and, further, that said Tax Assessor and Collector  
33 need not be a resident or voter of the District.

34 Revised Law

35 Sec. 6901.058. ADDITION OF TERRITORY TO DISTRICT. (a) In  
36 addition to the method of adding territory to a district provided by  
37 Subchapter J, Chapter 49, Water Code, the district may add  
38 territory as provided by this section.

39 (b) The owner or owners of land may request by petition that  
40 the board include the land in the district.

41 (c) A petition under Subsection (b) must be filed with the  
42 board and describe the land to be added to the district. The

1 description may be by metes and bounds or by lot and block number.  
2 The petition must be signed and executed in the manner provided by  
3 law for the conveyance of real estate.

4 (d) The board shall hear and consider a petition filed under  
5 this section. The board may add the land to the district if the  
6 board considers the addition to be to the advantage of the district.

7 (e) A petition granted under this section shall be filed and  
8 recorded in the deed records of Galveston County. (V.A.C.S.  
9 Art. 8280-287, Sec. 5.)

#### 10 Source Law

11 Sec. 5. Land may be added to said District not  
12 only in the manner now provided by Chapter 4, Title  
13 128, Revised Civil Statutes of Texas, 1925, as  
14 amended, but also land may be added to such District  
15 and become a part thereof upon petition of the owner or  
16 owners thereof in the following manner: the owner or  
17 owners of the land shall file with the Board of  
18 Supervisors a petition praying that the lands  
19 described be added to and become a part of said  
20 District, and said petition may describe said land by  
21 metes and bounds or by lot and block number and shall  
22 be signed and executed in the same manner provided by  
23 law for the conveyance of real estate. Such petition  
24 shall be heard and considered by the Board of  
25 Supervisors and may be granted and said land added to  
26 the District if same is considered to be to the  
27 advantage of the District. Any such petition which may  
28 be granted so adding lands to the District shall be  
29 filed for record and be recorded in the Galveston  
30 County Deed Records.

#### 31 Revisor's Note

32 Section 5, V.A.C.S. Article 8280-287, refers to  
33 "Chapter 4, Title 128, Revised Civil Statutes of  
34 Texas, as amended." The revised law substitutes  
35 Subchapter J, Chapter 49, Water Code, for this  
36 reference since that is where the provisions that are  
37 applicable to the district for the addition of  
38 territory are codified (see the revisor's note to  
39 Section 6901.004).

#### 40 Revised Law

41 Sec. 6901.059. ACQUISITION OF IMPROVEMENTS. The district  
42 may make, construct, or otherwise acquire improvements inside or  
43 outside the district that are necessary or convenient to execute a

1 power granted to the district under this chapter or a general law  
2 described in Section 6901.051. (V.A.C.S. Art. 8280-287, Sec. 2  
3 (part).)

4 Source Law

5 Sec. 2. . . . Said District shall have the  
6 power to make, construct or otherwise acquire  
7 improvements either within or without the boundaries  
8 thereof necessary or convenient to carry out the  
9 powers and authority granted by this Act and said  
10 General Laws; . . . .

11 Revisor's Note

12 Section 2, V.A.C.S. Article 8280-287, refers to  
13 the district's "powers and authority." The revised law  
14 omits the reference to "authority" because, in this  
15 context, it is included within the meaning of "power."

16 Revised Law

17 Sec. 6901.060. COST OF RELOCATING PROPERTY. (a) In this  
18 section "sole expense" means the actual cost of the relocating,  
19 raising, lowering, rerouting, changing the grade of, or altering  
20 the construction of a facility described in Subsection (b) in  
21 providing comparable replacement without enhancement of the  
22 facility, after deducting from that cost the net salvage value of  
23 the old facility.

24 (b) If the district, in the exercise of the power of eminent  
25 domain or relocation or another power granted under this chapter,  
26 makes necessary the relocating, raising, rerouting, changing the  
27 grade of, or altering the construction of a highway, a railroad, an  
28 electric transmission line, telephone or telegraph properties and  
29 facilities, or a pipeline, the necessary relocating, raising,  
30 rerouting, changing of grade, or alteration of construction shall  
31 be accomplished at the sole expense of the district. (V.A.C.S.  
32 Art. 8280-287, Sec. 2 (part).)

33 Source Law

34 Sec. 2. . . . provided, however, that . . . .  
35 In the event that the District in the exercise of the  
36 power of eminent domain or power of relocation, or any  
37 other power granted hereunder, makes necessary the  
38 relocation, raising, rerouting or changing the grade  
39 of, or altering the construction of, any highway,

1 railroad, electric transmission line, telephone or  
2 telegraph properties and facilities, or pipeline, all  
3 such necessary relocation, raising, rerouting,  
4 changing of grade or alteration of construction shall  
5 be accomplished at the sole expense of the District.  
6 The term "sole expense" shall mean the actual cost of  
7 such relocation, raising, lowering, rerouting, or  
8 change in grade or alteration of construction in  
9 providing comparable replacement without enhancement  
10 of such facilities, after deducting therefrom the net  
11 salvage value derived from the old facility.

12 Revisor's Note  
13 (End of Chapter)

14 (1) The revised law omits a portion of Section  
15 3, V.A.C.S. Article 8280-287, and all of Section 3A of  
16 that article relating to the election of the board of  
17 supervisors of the district. Those provisions that  
18 relate to the establishment of the initial board and a  
19 later realignment of terms of board members are  
20 omitted as executed law. The provisions requiring  
21 that the election of supervisors be as provided by  
22 general laws relating to fresh water supply districts  
23 are omitted as unnecessary because they duplicate  
24 Subchapter D, Chapter 49, Water Code, applicable to  
25 the revised law under Sections 49.001(a) and 49.002,  
26 Water Code, which governs director elections. The  
27 provisions relating to the holding of an annual  
28 election and the term of a board member being two years  
29 are omitted as expressly repealed by the enactment of  
30 Section 49.103, Water Code, by Chapter 715, Acts of the  
31 74th Legislature, Regular Session, 1995. The omitted  
32 law reads:

33 Sec. 3. . . . The members of the  
34 first Board of Supervisors shall be Frank H.  
35 Reading, Jr., W. C. Steed, Joe Hogan, R. T.  
36 Eaton, and K. T. McClendon. Said members  
37 shall become Supervisors immediately after  
38 this Act becomes effective, and said first  
39 Board of Supervisors shall meet and  
40 organize as soon as practicable after the  
41 effective date of this Act, and shall file  
42 their official bonds. If any of the  
43 aforementioned members of said first Board  
44 of Supervisors shall die, become  
45 incapacitated or otherwise not qualify to  
46 assume their duties under this Act, the  
47 County Judge of Galveston County, Texas,

1 shall appoint his or their successors. With  
2 the exception of said first Board of  
3 Supervisors, the Board of Supervisors shall  
4 be selected as provided by the General Laws  
5 for fresh water supply districts. The first  
6 election of Supervisors of such District  
7 shall be held on the first Tuesday in  
8 January, 1965, and in accordance with  
9 Article 7897, Revised Civil Statutes of  
10 Texas, 1925. Thereafter, Supervisors of the  
11 District shall be chosen, and elections for  
12 Supervisors shall be held in accordance  
13 with the provisions of the General Laws  
14 relating to fresh water supply districts.

15 Sec. 3A. At the next election of  
16 Supervisors after this amendment becomes  
17 effective, three (3) Supervisors shall be  
18 elected to serve for a term of two (2) years  
19 and until their successors are elected and  
20 have qualified and two (2) Supervisors  
21 shall be elected to serve for a term of one  
22 year and until their successors are elected  
23 and have qualified. Thereafter, an election  
24 shall be held each year to elect the  
25 appropriate number of Supervisors to serve  
26 on the Board and these Supervisors shall  
27 serve for a term of two (2) years and until  
28 their successors are elected and have  
29 qualified.

30 (2) The revised law omits the portion of Section  
31 4, V.A.C.S. Article 8280-287, that provides that all  
32 laws relating to the assessment, levy, and collection  
33 of ad valorem taxes apply to the district. Section  
34 1.02, Tax Code, requires all taxing units of  
35 government to administer the assessment and collection  
36 of ad valorem taxes in conformity with Title 1, Tax  
37 Code, and thus it is unnecessary to provide in this  
38 chapter that general laws relating to ad valorem taxes  
39 apply to the district. The omitted law reads:

40 Sec. 4. All provisions of the General  
41 Laws relating to the assessment, levy and  
42 collection of ad valorem taxes shall apply  
43 to the District, except that . . . .

44 (3) The revised law omits as unnecessary the  
45 provision in Section 6, V.A.C.S. Article 8280-287,  
46 listing the entities for which bonds issued under  
47 Section 6 are legal and authorized investments. As to  
48 several of the entities listed, Section 6 has been  
49 superseded and impliedly repealed. Investments in  
50 securities by banks are regulated by Section 34.101,

1 Finance Code (enacted in 1995 as Section 5.101, Texas  
2 Banking Act (Article 342-5.101, Vernon's Texas Civil  
3 Statutes)). Investments in securities by savings  
4 banks are regulated by Section 93.001(c)(10), Finance  
5 Code (enacted in 1993 as Section 7.15(10), Texas  
6 Savings Bank Act (Article 489e, Vernon's Texas Civil  
7 Statutes)). Investments in securities by trust  
8 companies are regulated by Section 184.101, Finance  
9 Code (enacted in 1997 as Section 5.101, Texas Trust  
10 Company Act (Article 342a-5.101, Vernon's Texas Civil  
11 Statutes)). Investments in securities by savings and  
12 loan associations are regulated by Section 63.002,  
13 Finance Code (last amended in 1985 as Section 5.05,  
14 Texas Savings and Loan Act (Article 852a, Vernon's  
15 Texas Civil Statutes)), and by Section 64.001, Finance  
16 Code (last amended in 1989 as Section 5.01, Texas  
17 Savings and Loan Act (Article 852a, Vernon's Texas  
18 Civil Statutes)). As to the remaining entities  
19 listed, Section 6 is superseded by Section 1201.041,  
20 Government Code (enacted as Section 9, Bond Procedures  
21 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
22 Statutes)). While Section 6 lists "guardians" and  
23 Section 1201.041, Government Code, does not, Section  
24 1201.041 includes a "fiduciary," and a guardian is a  
25 fiduciary. Section 1201.041, Government Code, applies  
26 to bonds issued under Section 6 by application of  
27 Section 1201.002, Government Code. The omitted law  
28 reads:

29           Sec. 6. The bonds of the District  
30 shall be and are hereby declared to be legal  
31 and authorized investments for banks,  
32 savings banks, trust companies, building  
33 and loan associations, savings and loan  
34 associations, insurance companies,  
35 fiduciaries, trustees, guardians, and for  
36 the sinking funds of cities, towns,  
37 villages, counties, school districts, or  
38 other political corporations or  
39 subdivisions of the State of Texas. . . .

1           (4) The revised law omits the portion of Section  
2           6, V.A.C.S. Article 8280-287, that provides that bonds  
3           issued under Section 6 may secure deposits of public  
4           funds of the state or political subdivisions. This  
5           provision (enacted in 1963) is impliedly repealed by  
6           Section 404.0221, Government Code (enacted in 1995),  
7           which lists eligible collateral for the comptroller's  
8           deposits of state funds, and by Chapter 2257,  
9           Government Code (enacted in 1989 as Article 2529d,  
10          Vernon's Texas Civil Statutes), which governs eligible  
11          collateral for deposits of funds of other public  
12          agencies, including political subdivisions. The  
13          omitted law reads:

14                    Sec. 6. . . . Such bonds shall be  
15                    eligible to secure the deposit of any and  
16                    all public funds of the State of Texas, and  
17                    any and all public funds of cities, towns,  
18                    villages, counties, school districts, or  
19                    other political corporations or  
20                    subdivisions of the State of Texas; and such  
21                    bonds shall be lawful and sufficient  
22                    security for said deposits to the extent of  
23                    their value, when accompanied by all  
24                    unmatured coupons appurtenant thereto.

25          (5) The revised law omits a portion of Section  
26          7, V.A.C.S. Article 8280-287, providing that nothing  
27          in that article may be construed to prevent the  
28          district from excluding territory under Article  
29          7930-2, Vernon's Texas Civil Statutes, and  
30          specifically authorizing the district to exclude  
31          territory under that article. Following the enactment  
32          of the Water Code in 1971 and the adoption of Chapter  
33          49, Water Code, in 1995, as described by the revisor's  
34          note to Section 6901.004, the successor to Article  
35          7930-2 now appears in Subchapter J, Chapter 49, Water  
36          Code, and applies to the district under Sections  
37          49.001(a) and 49.002, Water Code. The revised law  
38          omits this reference because no provision of the  
39          revised law restricts the application of Subchapter J,

1 Chapter 49, to the district and because the reference  
2 is to a provision of law that applies to the revised  
3 law without the reference. The omitted law reads:

4 Sec. 7. . . . provided, however,  
5 that nothing in this Act shall be construed  
6 to prevent the Board of Supervisors of said  
7 District, prior to the issuance and  
8 delivery of any bonds on the faith and  
9 credit of the District, from discontinuing  
10 from said District any of the territory  
11 included therein in the manner provided by  
12 Chapter 385, page 787, Acts of the 45th  
13 Legislature, 1937, (codified by Vernon as  
14 Article 7930--2); and said Board is hereby  
15 authorized to so discontinue any such  
16 territory.

17 (6) The revision omits Section 9, V.A.C.S.  
18 Article 8280-287, providing that the act is severable,  
19 because that provision duplicates Section 311.032,  
20 Government Code (Code Construction Act), applicable to  
21 the revised law, and Section 312.013, Government Code.  
22 These provisions state that a provision of a statute is  
23 severable from each other provision of the statute  
24 that can be given effect. The omitted law reads:

25 Sec. 9. If any word, phrase, clause,  
26 sentence, paragraph, Section, or other part  
27 of this Act or the application thereof to  
28 any person or circumstance, shall ever be  
29 held by a court of competent jurisdiction to  
30 be invalid or unconstitutional, the  
31 remainder of the Act and the application of  
32 such word, phrase, clause, sentence,  
33 paragraph, Section, or other part of this  
34 Act to other persons or circumstances shall  
35 not be affected thereby.

36 [Chapters 6902-7200 reserved for expansion]

37 SUBTITLE C. SPECIAL UTILITY DISTRICTS

38 [Chapters 7201-7500 reserved for expansion]

39 SUBTITLE D. IRRIGATION DISTRICTS

40 [Chapters 7501-7800 reserved for expansion]

41 SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS

42 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT

43 DISTRICT OF DALLAS AND KAUFMAN COUNTIES

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5 Sec. 7801.052. TREASURER . . . . . 647

6 [Sections 7801.053-7801.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

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14 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT

15 DISTRICT OF DALLAS AND KAUFMAN COUNTIES

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Revised Law

18 Sec. 7801.001. DEFINITIONS. In this chapter:

19 (1) "Board" means the board of directors of the

20 district.

21 (2) "Director" means a member of the board.

22 (3) "District" means the Bois d'Arc Island Levee

23 Improvement District of Dallas and Kaufman Counties. (Acts 70th

24 Leg., R.S., Ch. 827, Sec. 2; Acts 72nd Leg., R.S., Ch. 357, Sec. 1.)

25 Source Law

26 [Acts 70th Leg., R.S., Ch. 827]

27 Sec. 2. In this Act, "district" means the Bois

28 D'Arc Island Levee Improvement District of Dallas and

29 Kaufman Counties.

30 [Acts 72nd Leg., R.S., Ch. 357]

31 Sec. 1. In this Act:

32 (1) "Board" means the board of directors

33 of the Bois d'Arc Island Levee Improvement District of

34 Dallas and Kaufman Counties.

35 (2) "Director" means a member of the board

36 of directors.

37 (3) "District" means the Bois d'Arc Island

38 Levee Improvement District of Dallas and Kaufman

39 Counties.

1 Revisor's Note

2 Section 1, Chapter 827, Acts of the 70th  
3 Legislature, Regular Session, 1987, provides the  
4 official name of the Bois D'Arc Island Levee  
5 Improvement District of Dallas and Kaufman Counties as  
6 well as the names by which the district is sometimes  
7 known and the date on which the district was created by  
8 the Commissioners Court of Dallas County. The revised  
9 law omits the provision relating to the district's name  
10 as unnecessary because Section 2, Chapter 827, Acts of  
11 the 70th Legislature, Regular Session, 1987, and  
12 Section 1, Chapter 357, Acts 72nd Legislature, Regular  
13 Session, 1991, each define "district" to mean the Bois  
14 d'Arc Island Levee Improvement District of Dallas and  
15 Kaufman Counties. The revised law omits the reference  
16 to the date on which the commissioners court created  
17 the district as also unnecessary. The omitted law  
18 reads:

19 Sec. 1. Dallas County Bois D'Arc  
20 Island Levee District also sometimes known  
21 as Dallas County Bois D'Arc Island Levee  
22 Improvement District No. 4, created by the  
23 Commissioners Court of Dallas County,  
24 Texas, on July 11, 1918, shall have the  
25 official name of Bois D'Arc Island Levee  
26 Improvement District of Dallas and Kaufman  
27 Counties.

28 Revised Law

29 Sec. 7801.002. APPLICABILITY OF OTHER LAW. Except as  
30 otherwise provided by this chapter, Chapter 57, Water Code, applies  
31 to the district. (Acts 72nd Leg., R.S., Ch. 357, Sec. 5(a) (part).)

32 Source Law

33 Sec. 5. (a) Except as otherwise provided by  
34 this Act, Chapter 57, Water Code, applies to the  
35 district, . . . .

36 [Sections 7801.003-7801.050 reserved for expansion]

37 SUBCHAPTER B. BOARD OF DIRECTORS AND OFFICERS

38 Revised Law

39 Sec. 7801.051. BOARD. (a) The district is governed by a

1 board of five elected directors.

2 (b) A person must indicate on the application for a place on  
3 the ballot the precinct that the person wants to represent.

4 (c) An election shall be held on the first Saturday in May of  
5 each even-numbered year to elect the appropriate number of  
6 directors. Except as provided by Subsection (d), directors serve  
7 four-year terms.

8 (d) The board shall revise each precinct after each federal  
9 decennial census to reflect population changes. At the first  
10 election after the precincts are revised, a new director shall be  
11 elected from each precinct. The directors shall draw lots to  
12 determine which two directors serve two-year terms and which three  
13 directors serve four-year terms. (Acts 72nd Leg., R.S., Ch. 357,  
14 Secs. 2(a) (part), (c), (d); 7(a), (c).)

15 Source Law

16 Sec. 2. (a) The district is governed by a board  
17 of five directors elected as prescribed by Sections  
18 57.058-57.061, Water Code, . . . .

19 (c) A person shall indicate on the application  
20 for a place on the ballot the precinct that the person  
21 seeks to represent.

22 (d) The board shall revise each precinct after  
23 each federal decennial census to reflect population  
24 changes. At the first election after the precincts are  
25 revised, a new director shall be elected from each  
26 precinct. The directors shall draw lots to determine  
27 which two directors shall serve two-year terms and  
28 which three directors shall serve four-year terms.

29 Sec. 7. (a) The first election under this Act  
30 shall be held on May 2, 1992.

31 (c) After the initial election of directors, an  
32 election shall be held on the first Saturday of each  
33 even-numbered year, and the appropriate number of  
34 successor directors shall be elected to serve  
35 four-year terms.

36 Revisor's Note

37 (1) Section 2(a), Chapter 357, Acts of the 72nd  
38 Legislature, Regular Session, 1991, provides that the  
39 board of directors of the district be elected as  
40 prescribed by Sections 57.058-57.061, Water Code. The  
41 revised law omits the reference to Sections  
42 57.058-57.061, Water Code, as unnecessary because

1 Section 5(a), Chapter 357, Acts of the 72nd  
2 Legislature, Regular Session, 1991, revised in part in  
3 this chapter as Section 7801.002, provides that  
4 Chapter 57, Water Code, applies to the district.

5 (2) Section 2(a), Chapter 357, Acts of the 72nd  
6 Legislature, Regular Session, 1991, provides for the  
7 board in office before the date of the initial election  
8 under that Act to establish the five precincts from  
9 which directors are elected. The revised law omits  
10 that provision as executed. The omitted law reads:

11 (a) . . . except that the board in  
12 office preceding the date of the initial  
13 election under this Act shall establish the  
14 five precincts from which the directors are  
15 elected.

16 (3) Section 2(b), Chapter 357, Acts of the 72nd  
17 Legislature, Regular Session, 1991, provides that one  
18 district director shall be elected from each precinct.  
19 The revised law omits that provision as unnecessary  
20 because Section 57.058, Water Code, which applies to  
21 the district (see Revisor's Note (1) to this section),  
22 provides that one director shall be elected from each  
23 of the five precincts within the district. The omitted  
24 law reads:

25 (b) One director shall be elected  
26 from each precinct.

27 (4) Section 5(a), Chapter 357, Acts of the 72nd  
28 Legislature, Regular Session, 1991, provides for the  
29 commissioners court to continue to appoint directors  
30 until the initial election of directors is held. The  
31 revised law omits that provision as executed. The  
32 omitted law reads:

33 (a) . . . However, the commissioners  
34 court shall continue to appoint the  
35 directors until the initial directors'  
36 election is held under this Act.

37 (5) Section 5(b), Chapter 357, Acts of the 72nd  
38 Legislature, Regular Session, 1991, provides for the

1 applicability of the Election Code to a district  
2 election. The revised law omits that provision as  
3 unnecessary because Section 1.002, Election Code,  
4 provides that the code applies to "all general,  
5 special, and primary elections held in this state."  
6 The omitted law reads:

7 (b) The Election Code governs an  
8 election held in the district.

9 (6) Section 7(a), Chapter 357, Acts of the 72nd  
10 Legislature, Regular Session, 1991, provides that  
11 "[t]he first election under this Act shall be held on  
12 May 2, 1992." The revised law retains the portion of  
13 that provision specifying a May election because of  
14 its ongoing effect but omits the remainder of the  
15 provision as executed.

16 (7) Sections 7(b) and (d), Chapter 357, Acts of  
17 the 72nd Legislature, Regular Session, 1991, provide  
18 for the initial election of members of the board of  
19 directors and their terms. The revised law omits those  
20 provisions as executed. The omitted law reads:

21 (b) The elected directors shall draw  
22 lots to determine which two directors shall  
23 serve two-year terms and which three  
24 directors shall serve four-year terms.

25 (d) The terms of the appointed  
26 directors expire when the initially elected  
27 directors take office.

28 (8) Section 7(c), Chapter 357, Acts of the 72nd  
29 Legislature, Regular Session, 1991, provides for an  
30 election of directors to be held on the first Saturday  
31 of each even-numbered year "after the initial election  
32 of directors." The revised law omits the quoted phrase  
33 as executed.

#### 34 Revised Law

35 Sec. 7801.052. TREASURER. (a) The board may provide for  
36 the appointment of a treasurer for the district.

37 (b) In addition to the powers and duties provided by other

1 law, the treasurer has the powers and duties of the county treasurer  
2 under Chapter 57, Water Code. (Acts 72nd Leg., R.S., Ch. 357, Sec.  
3 3.)

4 Source Law

5 Sec. 3. (a) The board may provide for the  
6 appointment of a treasurer for the district.

7 (b) The treasurer has the powers and duties of  
8 the county treasurer under Chapter 57, Water Code.

9 Revisor's Note

10 Section 3, Chapter 357, Acts of the 72nd  
11 Legislature, Regular Session, 1991, provides that the  
12 district treasurer has the powers and duties of the  
13 county treasurer under Chapter 57, Water Code.  
14 Chapter 715, Acts of the 74th Legislature, Regular  
15 Session, 1995, enacted Chapter 49, Water Code, which  
16 is generally applicable to special districts, and  
17 repealed many provisions of Chapter 57 relating to the  
18 powers and duties of the county treasurer. Because  
19 Chapter 49, Water Code, provides powers and duties of  
20 district treasurers (see Section 49.054, Water Code)  
21 and Section 57.212, Water Code, continues to impose a  
22 duty on county treasurers and, therefore, on the  
23 district treasurer, the revised law references the  
24 powers and duties provided by Chapter 57 and "other  
25 law."

26 [Sections 7801.053-7801.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

28 Revised Law

29 Sec. 7801.101. POWERS AND DUTIES OF BOARD. The board has  
30 the powers and duties delegated to the commissioners court and  
31 county judge under Chapter 57, Water Code. (Acts 72nd Leg., R.S.,  
32 Ch. 357, Sec. 5(a) (part).)

33 Source Law

34 (a) [Except as otherwise provided by this Act,  
35 Chapter 57, Water Code, applies to the district,]  
36 except that the board has the powers and duties  
37 delegated to the commissioners court and county judge

1 under that chapter. . . .

2 Revised Law

3 Sec. 7801.102. IMPOSITION OF TAXES. (a) The Tax Code  
4 governs the imposition of district taxes.

5 (b) The board may provide for the appointment of a tax  
6 assessor-collector or may contract for the imposition of taxes with  
7 Dallas County or Kaufman County or with another person as provided  
8 by the Tax Code. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part); Acts  
9 72nd Leg., R.S., Ch. 357, Sec. 4.)

10 Source Law

11 [Acts 70th Leg., R.S., Ch. 827]

12 Sec. 5. . . . The board of directors of the  
13 district . . . may contract with Dallas County for the  
14 assessment and collection of district taxes.

15 [Acts 72nd Leg., R.S., Ch. 357]

16 Sec. 4. (a) The Tax Code governs the appraisal,  
17 assessment, and collection of district taxes.

18 (b) The board may provide for the appointment of  
19 a tax assessor-collector or may contract for the  
20 assessment and collection of taxes with Dallas or  
21 Kaufman County or with another person as provided by  
22 the Tax Code.

23 Revisor's Note

24 Section 5, Chapter 827, Acts of the 70th  
25 Legislature, Regular Session, 1987, refers to the  
26 assessment and collection of district taxes. Section  
27 4, Chapter 357, Acts of the 72nd Legislature, Regular  
28 Session, 1991, refers to the appraisal, assessment,  
29 and collection of district taxes. The revised law  
30 substitutes "imposition" for "appraisal, assessment,  
31 and collection" because "imposition" is the term  
32 generally used in Title 1, Tax Code, and includes the  
33 appraisal, assessment, and collection of a tax.

34 Revised Law

35 Sec. 7801.103. ESTABLISHING MINIMUM BENEFIT BASIS. (a) If  
36 the district levies taxes on the benefit basis, the board may  
37 establish a minimum benefit that will accrue to each piece of  
38 taxable property in the district.

39 (b) The board shall serve as the commissioners of

1 appraisement. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part).)

2 Source Law

3 Sec. 5. If the district levies taxes on the  
4 benefit basis, the board of directors of the district  
5 may establish a minimum benefit that will accrue to  
6 each piece of taxable property within the district  
7 beginning in 1987. The board of directors of the  
8 district shall serve as the commissioners of  
9 appraisement and . . .

10 Revisor's Note

11 Section 5, Chapter 827, Acts of the 70th  
12 Legislature, Regular Session, 1987, authorizes the  
13 board to establish a minimum benefit to accrue to  
14 taxable property in the district "beginning in 1987."  
15 The revised law omits the quoted language as executed.

16 Revised Law

17 Sec. 7801.104. EXCLUSION OF LAND FROM DISTRICT. If the  
18 district does not have outstanding bonds payable in whole or in part  
19 from taxes, the board may exclude land from the district as provided  
20 by Subchapter J, Chapter 49, Water Code. (Acts 70th Leg., R.S., Ch.  
21 827, Sec. 3.)

22 Source Law

23 Sec. 3. If the district has no bonds outstanding  
24 payable in whole or in part from taxes, the board of  
25 directors of the district may exclude land from the  
26 district as provided by Sections 54.701 through  
27 54.707, Water Code.

28 Revisor's Note

29 Section 3, Chapter 827, Acts of the 70th  
30 Legislature, Regular Session, 1987, authorizes the  
31 board, under certain circumstances, to exclude land  
32 from the district as provided by Sections  
33 54.701-54.707, Water Code. Those sections of the Water  
34 Code were repealed by Section 43, Chapter 715, Acts of  
35 the 74th Legislature, Regular Session, 1995. However,  
36 the substance of those provisions is included in  
37 Subchapter J, Chapter 49, Water Code, which the  
38 legislature passed in the same act that repealed  
39 Sections 54.701-54.707. For that reason, the revised

1 law substitutes for the reference to Sections  
2 54.701-54.707 a reference to Subchapter J, Chapter 49,  
3 Water Code.

4 Revised Law

5 Sec. 7801.105. CONVEYANCE OF DISTRICT FACILITIES IN AN  
6 EXCLUDED AREA. (a) If the district has facilities located in an  
7 area that is excluded from the district, the board may convey those  
8 facilities to another governmental entity that agrees to assume the  
9 responsibility for flood protection for the excluded area.

10 (b) A conveyance under this section may:

11 (1) be on the terms determined by the board; and

12 (2) include a right-of-way, easement, or fee title to  
13 land on which the facilities are located. (Acts 70th Leg., R.S.,  
14 Ch. 827, Sec. 4.)

15 Source Law

16 Sec. 4. If the district has any facilities  
17 located within an area that is excluded from the  
18 district, the board of directors of the district may  
19 convey those facilities to another governmental entity  
20 that will agree to assume the responsibility for flood  
21 protection for the excluded area. The conveyance may  
22 be on the terms and conditions determined by the board  
23 of directors and include any right-of-way, easements,  
24 or fee title to land on which the facilities are  
25 located.

26 Revisor's Note

27 Section 4, Chapter 827, Acts of the 70th  
28 Legislature, Regular Session, 1987, provides for a  
29 conveyance on the "terms and conditions" determined by  
30 the board. The revised law omits as unnecessary the  
31 reference to "conditions" because, in context,  
32 "conditions" is included within the meaning of  
33 "terms."

34 Revisor's Note  
35 (End of Chapter)

36 Section 6, Chapter 357, Acts of the 72nd  
37 Legislature, Regular Session, 1991, provides for  
38 certain transfers to be made to the district as soon as  
39 possible after the effective date of that Act. The

1 revised law omits that provision as executed. The  
2 omitted law reads:

3           Sec. 6. As soon as possible after the  
4 effective date of this Act, Dallas County or  
5 Kaufman County, as appropriate, shall  
6 transfer to the district:  
7           (1) any money held by the county  
8 treasurer for the district; and  
9           (2) all records and files  
10 relating to the district.

11 [Chapters 7802-8100 reserved for expansion]

12           SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

13           CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

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26           [Sections 8101.054-8101.100 reserved for expansion]

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1 CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 8101.001. DEFINITIONS. In this chapter:

5 (1) "Authority" means the Athens Municipal Water  
6 Authority.

7 (2) "Board" means the authority's board of directors.  
8 (V.A.C.S. Art. 8280-196, Sec. 1 (part); New.)

9 Source Law

10 Sec. 1. . . . [a . . . district by the name]  
11 "Athens Municipal Water Authority" (hereinafter  
12 referred to as the "Authority"), and . . . .

13 Revisor's Note

14 The definition of "board" has been added to the  
15 revised law for drafting convenience and to eliminate  
16 frequent, unnecessary repetition of the substance of  
17 the definition.

18 Revised Law

19 Sec. 8101.002. NATURE OF AUTHORITY. The authority is a  
20 conservation and reclamation district in Henderson County.  
21 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part).)

22 Source Law

23 Sec. 1. . . . there is hereby created within  
24 the State of Texas, in addition to the districts into  
25 which the state has heretofore been divided, a  
26 conservation and reclamation district by the name  
27 "Athens Municipal Water Authority" . . . which shall  
28 be recognized to . . . and be a governmental agency and  
29 body politic and corporate . . . .

30 Sec. 2. (a) The Authority shall be in  
31 Henderson County, Texas, and . . . .

32 Revisor's Note

33 (1) Section 1, V.A.C.S. Article 8280-196,  
34 states that the district is being created "within the  
35 State of Texas, in addition to the districts into which  
36 the state has heretofore been divided." The revised  
37 law omits the quoted language as unnecessary because  
38 the absence of the language does not imply that the  
39 legislature could create a district outside its

1 jurisdiction or that the district is not in addition to  
2 any other districts.

3 (2) Section 1, V.A.C.S. Article 8280-196,  
4 provides that the Athens Municipal Water Authority is  
5 a "conservation and reclamation district . . .  
6 recognized to . . . be a governmental agency and body  
7 politic and corporate." The revised law omits the  
8 references to "governmental agency" and "body politic  
9 and corporate" because they duplicate a portion of  
10 Section 59(b), Article XVI, Texas Constitution, which  
11 provides that a conservation and reclamation district  
12 is a governmental agency and body politic and  
13 corporate. The policy of the legislative council's  
14 statutory revision program is to omit from the revised  
15 codes the duplicating statutory provisions because a  
16 statute that tracks the language of the constitution  
17 not only is superfluous but may foster the erroneous  
18 belief that a constitutional requirement is merely  
19 statutory and subject to amendment through the  
20 ordinary legislative process.

21 Revised Law

22 Sec. 8101.003. FINDING OF BENEFIT AND PUBLIC PURPOSE. (a)

23 The legislature finds that:

24 (1) all of the lands and other property included in the  
25 boundaries of the authority will benefit from the improvements and  
26 facilities to be constructed, acquired, or otherwise provided under  
27 this chapter; and

28 (2) the authority is created to serve a public use and  
29 benefit.

30 (b) The authority is created under and is essential to  
31 accomplish the purposes of Section 59, Article XVI, Texas  
32 Constitution.

33 (c) The accomplishment of the purposes stated in this  
34 chapter are for the benefit of the people of this state and for the

1 improvement of their properties and industries. The authority in  
2 carrying out the purposes of this chapter will be performing an  
3 essential public function under the constitution of this state.  
4 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part), 12 (part), 14  
5 (part).)

6 Source Law

7 Sec. 1. Pursuant to and as expressly authorized  
8 by Section 59 of Article XVI of the Constitution of the  
9 State of Texas, [there is hereby created . . . a . . .  
10 district] . . . essential to the accomplishment of the  
11 purposes of said constitutional provision and . . . .

12 Sec. 2. (a) . . . it being affirmatively found  
13 and determined that all of the territory comprising  
14 and recognized as being within . . . said Authority  
15 pursuant to the provisions hereof relating thereto,  
16 . . . that all of same will be benefited by the  
17 improvements and facilities to be constructed,  
18 acquired or otherwise furnished under this Act.

19 Sec. 12. . . . the Authority herein created is  
20 essential to the accomplishment of the purposes of  
21 said constitutional provision; and that . . . . It is  
22 hereby found and determined that all of the lands and  
23 other property included within the boundaries of the  
24 Authority will be benefited and that the Authority is  
25 created to serve a public use and benefit. . . .

26 Sec. 14. The accomplishment of the purposes  
27 stated in this Act being for the benefit of the people  
28 of this state and for the improvement of their  
29 properties and industries, the Authority in carrying  
30 out the purposes of this Act will be performing an  
31 essential public function under the Constitution and  
32 . . . .

33 Revised Law

34 Sec. 8101.004. LIBERAL CONSTRUCTION OF CHAPTER. This  
35 chapter shall be liberally construed to effect its purposes.  
36 (V.A.C.S. Art. 8280-196, Sec. 12 (part).)

37 Source Law

38 Sec. 12. . . . All the terms and provisions of  
39 this Act are to be liberally construed to effectuate  
40 the purposes herein set forth.

41 Revisor's Note  
42 (End of Subchapter)

43 Section 12, V.A.C.S. Article 8280-196, contains a  
44 legislative declaration of a constitutional "duty" to  
45 enact Article 8280-196 as law. The revised law omits  
46 the declaration by the legislature as executed and  
47 because it has no substantive effect. The omitted law



1 or annexations thereto accomplished prior to said date  
2 shall ever affect the validity of the Authority or any  
3 of its rights, powers, privileges or functions, . . .  
4 all of the territory comprising and recognized as  
5 being within the City of Athens on the 2nd day of May,  
6 1957, and all other territory hereafter brought into  
7 said Authority pursuant to the provisions hereof  
8 relating thereto, shall comprise said Authority  
9 and . . . .

10 Revisor's Note

11 Subchapter J, Chapter 49, Water Code, enacted in  
12 1995 and applicable to the authority under Sections  
13 49.001(a) and 49.002, Water Code, provides additional  
14 methods for adding land to the authority. For the  
15 reader's convenience, the revised law adds a  
16 cross-reference to that subchapter.

17 Revised Law

18 Sec. 8101.052. ANNEXATIONS OF TERRITORY. (a) The board, as  
19 provided by this section, may annex territory the City of Athens  
20 annexes after May 2, 1957. The authority may not annex territory  
21 under this section if bonds supported by ad valorem taxes  
22 previously voted on remain unissued and unsold.

23 (b) The board by order may set a date for a hearing on the  
24 annexation and hold the hearing on that date.

25 (c) Notice of the hearing must:

26 (1) be posted in three public places in the territory  
27 proposed to be annexed at least 15 days before the date set for the  
28 hearing; and

29 (2) contain a statement of the nature and purpose of  
30 the hearing and the date, time, and place of the hearing.

31 (d) A person whose land is included in or would be affected  
32 by the annexation may:

33 (1) appear at the hearing to contest the annexation;  
34 and

35 (2) offer testimony to show that the annexation would  
36 or would not benefit land proposed to be annexed.

37 (e) The board shall enter a resolution ordering the  
38 annexation and designating the territory if the board finds as a

1 result of the hearing that the proposed annexation is feasible and  
2 practicable and would benefit the land proposed to be annexed. The  
3 board may designate the territory by reference to the city's  
4 annexation ordinance or in another manner.

5 (f) The board shall refuse the proposed annexation if the  
6 board finds as a result of the hearing that the annexation does not  
7 satisfy the requirements of Subsection (e). (V.A.C.S.  
8 Art. 8280-196, Secs. 2(b), (c) (part).)

9 Source Law

10 (b) Any territory annexed to the City of Athens  
11 subsequent to the 2nd day of May, 1957, may become a  
12 part of the Authority by resolution of the Authority's  
13 Board of Directors officially declaring such  
14 annexation and designating the territory either by  
15 reference to the City's annexation ordinance, or  
16 otherwise, provided that no such annexation shall  
17 become final unless the Board of Directors of the  
18 Authority shall make an order setting the date of a  
19 hearing, notice of which shall be posted in three (3)  
20 public places within the territory proposed to be  
21 annexed, such posting to be made not less than fifteen  
22 (15) days prior to the date of hearing. Such notice of  
23 hearing shall contain a statement of the nature and  
24 purpose thereof, and the date and time and place of  
25 hearing. Upon the date set for hearing, any person  
26 whose land is included in or would be affected by the  
27 proposed annexation may appear and contest such  
28 annexation and may offer testimony to show that said  
29 annexation would or would not be a benefit to such land  
30 proposed to be included within the district. If it  
31 shall appear on hearing by the Board of Directors of  
32 the Authority that such annexation as proposed is  
33 feasible and practicable and that it would be a benefit  
34 to the land proposed to be annexed, the Board of  
35 Directors shall so find and enter its order annexing  
36 same. If the Board of Directors should find that such  
37 proposed annexation is not feasible and practicable or  
38 would not be a benefit to the land proposed to be  
39 annexed, the Board shall refuse the proposed  
40 annexation.

41 (c) . . . Provided further, that the Authority  
42 shall not annex any territory under this Section while  
43 any ad valorem tax supported bonds theretofore voted  
44 remain unissued and unsold.

45 Revisor's Note

46 Section 2(b), V.A.C.S. Article 8280-196, states  
47 that the board may annex territory that has been  
48 annexed to the city by resolution "officially"  
49 declaring the annexation. The revised law omits the  
50 quoted text because a board resolution "officially"  
51 declares actions taken by the board without stating

1 that fact.

2 Revised Law

3 Sec. 8101.053. LIMITATION ON ASSUMPTION OF TAX OBLIGATIONS.

4 (a) The authority may not impose on territory the authority annexes  
5 under Section 8101.052 a tax obligation the authority incurred  
6 before annexation unless:

7 (1) the owners of the land annexed provide written  
8 consent for the assumption of that tax obligation; or

9 (2) at an election held for that purpose in the  
10 territory, a majority of the voters of the territory approve the  
11 assumption of that tax obligation.

12 (b) The notice provisions of Section 49.106, Water Code,  
13 apply to an election held under this section.

14 (c) The election notice must be published in a newspaper  
15 published in the city of Athens. If a newspaper is not published in  
16 the city of Athens, it is sufficient to post notices at three public  
17 places in that city at least 28 days before the date of the  
18 election. (V.A.C.S. Art. 8280-196, Sec. 2(c) (part).)

19 Source Law

20 (c) It is further provided, however, that no tax  
21 obligation of any nature incurred by the Authority  
22 prior to such annexation to the Authority shall be  
23 imposed on such annexed area unless the assumption  
24 thereof is approved by the written consent given by the  
25 owners of the land annexed or unless a majority of the  
26 qualified, property taxpaying voters residing in such  
27 territory annexed shall have voted for the assumption  
28 of such prior tax obligation at an election ordered and  
29 held for that purpose, after notice given in like  
30 manner as hereinafter set out with regard to elections  
31 pertaining to the authorization of bonds of the  
32 Authority which are payable wholly or partially from  
33 ad valorem taxes, with the exception that the election  
34 notice shall be published in a newspaper published in  
35 the City of Athens, and that if no newspaper is  
36 published in said City it shall be sufficient if  
37 notices are posted at three (3) public places in such  
38 City at least twenty-eight (28) days prior to the date  
39 of the election. . . .

40 Revisor's Note

41 (1) Section 2(c), V.A.C.S. Article 8280-196,  
42 provides that a majority of the "qualified, property  
43 taxpaying" voters in the territory to be annexed must

1 approve the assumption of the existing obligations.  
2 In *Hill v. Stone*, 421 U.S. 289, 95 S. Ct. 1637 (1975),  
3 the United States Supreme Court determined that  
4 property ownership as a qualification for voting is an  
5 unconstitutional denial of equal protection.  
6 Throughout this chapter, the revised law omits the  
7 reference to "property taxpaying" as a requirement for  
8 voting. In addition, the revised law omits the  
9 reference to "qualified" voters as unnecessary in this  
10 context because Chapter 11, Election Code, governs  
11 eligibility to vote in an election in this state and  
12 allows only "qualified" voters to vote in an election.

13 (2) Section 2(c), V.A.C.S. Article 8280-196,  
14 provides that voters "residing in" the territory to be  
15 annexed must approve the assumption of the existing  
16 obligations. Throughout this chapter, the revised law  
17 omits the quoted language because, in this context, it  
18 duplicates Section 11.001, Election Code, which  
19 provides that to be eligible to vote in an election in  
20 this state, a person must "be a resident of the  
21 territory covered by the election for the office or  
22 measure on which the person desires to vote."

23 (3) Section 2(c), V.A.C.S. Article 8280-196,  
24 provides that voters in annexed territory must approve  
25 the assumption of the district's tax obligations at "an  
26 election ordered and held for that purpose." The  
27 revised law omits "ordered" because, in this context,  
28 the term is included in the meaning of "held." Under  
29 Chapter 3, Election Code, all elections must be  
30 ordered before they may be held.

31 (4) Section 2(c), V.A.C.S. Article 8280-196,  
32 states that voters must authorize the assumption of  
33 tax obligations at an election "after notice given in  
34 like manner as hereinafter set out with regard to

1 elections pertaining to the authorization of bonds of  
2 the Authority which are payable wholly or partially  
3 from ad valorem taxes." Section 7(a) of Article  
4 8280-196, which contains the requirements for those  
5 bond elections, refers the reader to "Chapter 25, Acts  
6 39th Legislature, 1925, as amended, relating to  
7 elections for the issuance of tax bonds by water  
8 control and improvement districts." The relevant  
9 sections of Chapter 25, General Laws, Acts of the 39th  
10 Legislature, Regular Session, 1925, were included as  
11 Articles 7880-80, 7880-82, and 7880-83, Vernon's Texas  
12 Civil Statutes, which were repealed and codified by  
13 Chapter 58, Acts of the 62nd Legislature, Regular  
14 Session, 1971, as Section 51.412, Water Code. Chapter  
15 715, Acts of the 74th Legislature, Regular Session,  
16 1995, repealed most of the provisions of Chapter 51,  
17 Water Code, including Section 51.412, that pertained  
18 to the bond elections of a water control and  
19 improvement district and enacted Chapter 49, Water  
20 Code, which contains provisions generally applicable,  
21 under Sections 49.001(a) and 49.002 of that chapter,  
22 to most conservation and reclamation districts,  
23 including water control and improvement districts.  
24 Instead of the quoted notice provision above, and as a  
25 convenience to the reader, the revised law substitutes  
26 a reference to Section 49.106, Water Code, which  
27 contains the notice provisions for district elections  
28 authorizing bonds payable from ad valorem taxes.

29 (5) Section 2(c), V.A.C.S. Article 8280-196,  
30 states that the notice provisions of Article 8280-196  
31 applicable to elections authorizing bonds payable with  
32 ad valorem taxes also apply to an election authorizing  
33 the assumption of prior tax obligations, "with the  
34 exception that" notice must be published in a city of

1 Athens newspaper or posted in Athens in three public  
2 locations at least 28 days before the election. The  
3 revised law omits the quoted text because the  
4 requirements for notice under the laws that governed  
5 the referenced bond elections when the Athens  
6 Municipal Water Authority was created in 1957 no  
7 longer apply (see Revisor's Note (4) to this section).  
8 Section 49.106, Water Code, the only section relevant  
9 to notice for bond elections, does not conflict with  
10 the notice requirements of Article 8280-196, so the  
11 quoted text is unnecessary.

12 [Sections 8101.054-8101.100 reserved for expansion]

13 SUBCHAPTER C. BOARD OF DIRECTORS

14 Revised Law

15 Sec. 8101.101. GENERAL POWERS. The board consists of five  
16 directors. (V.A.C.S. Art. 8280-196, Sec. 3(a) (part).)

17 Source Law

18 Sec. 3. (a) All powers of the Authority shall  
19 be exercised by a Board of five (5) Directors. . . .

20 Revisor's Note

21 Section 3(a), V.A.C.S. Article 8280-196,  
22 provides that "[a]ll powers of the Authority shall be  
23 exercised by" the board. The revised law omits the  
24 quoted language as unnecessary because it duplicates,  
25 in substance, provisions of Sections 49.051 and  
26 49.057, Water Code, which apply to the district under  
27 Sections 49.001(a) and 49.002, Water Code.

28 Revised Law

29 Sec. 8101.102. ELIGIBILITY TO SERVE. (a) A director must  
30 reside in and own taxable property in the authority.

31 (b) A person may not serve as a director if the person is:

32 (1) a member of a governing body of a municipality; or

33 (2) an employee of a municipality. (V.A.C.S.  
34 Art. 8280-196, Sec. 3(a) (part).)

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Source Law

(a) . . . No person shall be a Director unless he resides in and owns taxable property in the Authority. No member of a governing body of any city or town, and no employee of a city or town shall be a Director. . . .

Revisor's Note

Section 3(a), V.A.C.S. Article 8280-196, refers to a "city or town." Throughout this chapter, the revised law substitutes "municipality" for "city" or "town," unless a specific city is intended, because the meaning of "municipality" includes both cities and towns and because that is the term used in the Local Government Code.

Revised Law

Sec. 8101.103. DIRECTORS ELECTION. (a) The board shall issue an order for each directors election stating the time, place, and purpose of the election.

(b) Notice of a directors election shall be published in a newspaper of general circulation in the authority's territory one time at least 30 days before the date of the election.

(c) The appropriate number of candidates who receive the highest number of votes shall be declared elected. (V.A.C.S. Art. 8280-196, Sec. 3(c) (part).)

Source Law

(c) . . . An election for the election of Directors shall be held on the first Tuesday in April of each year beginning in 1958, and as herein provided. Two (2) Directors shall be elected in each even numbered year and three (3) in each odd numbered year. The yearly elections shall be ordered by the Board of Directors. Notice of the election shall be published in a newspaper of general circulation in said Authority one time at least thirty (30) days before the election. The election order shall state the time, place and purpose of the election and the Board of Directors of said Authority shall appoint a presiding judge who shall appoint an assistant judge and two (2) clerks to assist in holding the election. Only qualified voters residing in the Authority shall be entitled to vote at said election. The candidates receiving the highest number of votes shall be declared elected. The returns of the election shall be made to and canvassed by the Board of Directors of said District, who shall enter an order declaring the results of the election.

1 Revisor's Note

2 (1) Section 3(c), V.A.C.S. Article 8280-196,  
3 states that director elections shall be held "on the  
4 first Tuesday in April" of each year. The revised law  
5 omits the reference to the first Tuesday in April  
6 because that provision was superseded by the 1995  
7 enactment and 1997 amendment of Section 49.103(b),  
8 Water Code, applicable to the authority under Sections  
9 41.001(a), 41.002, and 49.103(e), Water Code.

10 (2) Section 3(c), V.A.C.S. Article 8280-196,  
11 specifies that director elections are to be held  
12 "beginning in 1958." The revised law omits the quoted  
13 text as executed.

14 (3) Section 3(c), V.A.C.S. Article 8280-196  
15 (enacted in 1957), provides that director elections  
16 shall be held "each year" and "yearly" and that "[t]wo  
17 (2) Directors shall be elected in each even numbered  
18 year and three (3) in each odd numbered year." The  
19 revised law omits the quoted language as expressly  
20 superseded by the enactment of Section 49.103, Water  
21 Code, by Chapter 715, Acts of the 74th Legislature,  
22 Regular Session, 1995. Section 49.103, Water Code,  
23 provides for a four-year term for directors, with  
24 elections held each even-numbered year.

25 (4) Section 3(c), V.A.C.S. Article 8280-196  
26 (enacted in 1957), provides that the board of  
27 directors "shall appoint a presiding judge who shall  
28 appoint an assistant judge and two (2) clerks to assist  
29 in holding the election" for directors. The revised  
30 law omits the quoted language as superseded by the 1985  
31 enactment of the Election Code, applicable to the  
32 district under Section 1.002, Election Code. Chapter  
33 32, Election Code, governs the selection of election  
34 judges and clerks.



1 Revisor's Note

2 Section 3(g), V.A.C.S. Article 8280-196,  
3 provides in part for the election of officers by the  
4 board, names the board president as chief executive  
5 officer, and states the duties of the board vice  
6 president. The revised law omits those provisions as  
7 duplicative of Section 49.054, Water Code, enacted in  
8 1995, which applies to the district by application of  
9 Sections 49.001(a) and 49.002, Water Code. The  
10 omitted law reads:

11 (g) The Board of Directors shall  
12 elect from its number a president and a  
13 vice-president, and such other officers as  
14 in the judgment of the Board are necessary.  
15 The president shall be the chief executive  
16 officer, and the presiding officer of the  
17 Board, and . . . . The vice-president shall  
18 perform all duties and exercise all power  
19 conferred by this Act upon the president  
20 when the president is absent or fails or  
21 declines to act. . . .

22 Revised Law

23 Sec. 8101.106. VOTE BY BOARD PRESIDENT. The president has  
24 the same right to vote as any other director. (V.A.C.S.  
25 Art. 8280-196, Sec. 3(g) (part).)

26 Source Law

27 (g) . . . The president . . . shall have the  
28 same right to vote as any other Director. . . .

29 Revised Law

30 Sec. 8101.107. DIRECTOR'S AND TREASURER'S BOND. (a) A  
31 director shall give bond in the amount of \$5,000 for the faithful  
32 performance of the director's duties.

33 (b) The treasurer shall give bond in an amount required by  
34 the board, conditioned on the treasurer's faithfully accounting for  
35 all money that comes into the treasurer's custody. (V.A.C.S.  
36 Art. 8280-196, Secs. 3(a) (part), (g) (part).)

37 Source Law

38 (a) . . . Such Director shall subscribe to the  
39 Constitutional oath of office, and each shall give  
40 bond in the amount of Five Thousand Dollars  
41 (\$5,000.00) for the faithful performance of his

1 duties, the cost of which shall be paid by the  
2 Authority. . . .

3 (g) . . . The treasurer shall give bond in such  
4 amount as may be required by the Board of Directors.  
5 The condition of such bond shall be that he will  
6 faithfully account for all money which shall come into  
7 his custody as treasurer of the Authority. . . .

8 Revisor's Note

9 (1) Section 3(a), V.A.C.S. Article 8280-196,  
10 requires each director to "subscribe to the  
11 Constitutional oath of office." The revised law omits  
12 that provision as unnecessary because Section 1,  
13 Article XVI, Texas Constitution, requires all officers  
14 to take the oath before assuming office.

15 (2) Section 3(a), V.A.C.S. Article 8280-196,  
16 provides that the authority shall pay the cost of a  
17 director's bond. The revised law omits this provision  
18 because it duplicates, in substance, Section  
19 49.055(c), Water Code, which applies to the authority  
20 under Sections 49.001(a) and 49.002, Water Code.

21 Revised Law

22 Sec. 8101.108. COMPENSATION. Unless the board by  
23 resolution increases the fee to an amount authorized by Section  
24 49.060, Water Code, each director shall receive a fee not to exceed  
25 \$10 for attending each board meeting and a fee not to exceed \$10 for  
26 each day devoted to authority business. (V.A.C.S. Art. 8280-196,  
27 Sec. 3(f) (part).)

28 Source Law

29 (f) Each Director shall receive a fee of not to  
30 exceed Ten Dollars (\$10.00) for attending each meeting  
31 of the Board, and not to exceed Ten Dollars (\$10.00)  
32 per day devoted to the business of the Authority and to  
33 . . . .

34 Revisor's Note

35 (1) Section 3(f), V.A.C.S. Article 8280-196,  
36 provides in part for a \$10 director's fee for  
37 attendance at a board meeting and a \$10 director's fee  
38 for each day devoted to authority business. Section  
39 49.060, Water Code, enacted in 1995 and applicable by

1 its own terms to the district, authorizes higher fees.  
2 Section 49.060(e), however, provides that if the  
3 amount of the fee set by Section 49.060 would result in  
4 a fee increase, the increase does not apply to a  
5 district unless the district's board by resolution  
6 adopts a higher fee. The revised law is drafted  
7 accordingly.

8 (2) Section 3(f), V.A.C.S. Article 8280-196  
9 (enacted in 1957), provides in part for reimbursement  
10 of expenses incurred in attending to authority  
11 business if expressly approved by the board. The  
12 revised law omits the provision because it is  
13 expressly superseded by Section 49.060, Water Code  
14 (enacted in 1995). The omitted law reads:

15 (f) Each Director shall receive . . .  
16 reimbursement for actual expenses incurred  
17 in attending to Authority business provided  
18 that such service and expense are expressly  
19 approved by the Board.

20 Revisor's Note  
21 (End of Subchapter)

22 (1) Section 3(a), V.A.C.S. Article 8280-196,  
23 states that directors serve a term of office until a  
24 successor is elected or appointed and qualified. The  
25 revised law omits that provision as unnecessary  
26 because it duplicates Section 17, Article XVI, Texas  
27 Constitution, which provides that an officer in this  
28 state continues to perform the officer's official  
29 duties until a successor has qualified. The omitted  
30 law reads:

31 (a) . . . Each Director shall serve  
32 for his term of office as herein provided  
33 and thereafter until his successor shall be  
34 elected or appointed and qualified. . . .

35 (2) Section 3(a), V.A.C.S. Article 8280-196,  
36 states that a majority of the members of the board  
37 constitutes a quorum. The revised law omits that  
38 provision as duplicative of general law. Section

1 312.015, Government Code, applicable to civil  
2 statutes, and Section 311.013, Government Code (Code  
3 Construction Act), applicable to the revised law,  
4 provide that a majority of a board or commission  
5 constitutes a quorum. In addition, Section 49.053,  
6 Water Code, applicable to the district by application  
7 of Sections 49.001(a) and 49.002, Water Code, provides  
8 that a majority of a board constitutes a quorum. The  
9 omitted law reads:

10 (a) . . . A majority shall  
11 constitute a quorum.

12 (3) Section 3(b), V.A.C.S. Article 8280-196,  
13 provides a list of initial directors for the authority  
14 and states how a successor is to be appointed if one of  
15 those listed cannot serve. The revised law omits those  
16 provisions as executed. The omitted law reads:

17 (b) Immediately after the Act becomes  
18 effective, the following named persons  
19 shall be the Directors of said Authority,  
20 and shall constitute the Board of Directors  
21 of said district: J. P. Pickens, R. C.  
22 Truitt, Horace Rogers, E. T. Wolfe and J. H.  
23 Kinabrew, all residing within Henderson  
24 County, Texas. If any of the aforementioned  
25 persons shall die, become incapacitated, or  
26 otherwise not be qualified to assume their  
27 duties under this Act, the remaining  
28 Directors shall appoint his  
29 successor. . . .

30 (4) Section 3(b), V.A.C.S. Article 8280-196,  
31 refers to the election or appointment of directors as  
32 provided by that article. The revised law omits that  
33 provision (enacted in 1957), with reference to  
34 elections, as expressly superseded by the 1995  
35 enactment of Section 49.103, Water Code, which applies  
36 to authority directors elections under Sections  
37 49.001(a), 49.002, and 49.103(e), Water Code. The  
38 reference to appointment of directors is omitted as  
39 executed, as it pertains to initial directors, and as  
40 superseded by Section 49.105, Water Code, as it

1 pertains to vacancies (see Revisor's Note (6) to this  
2 section). The omitted law reads:

3 (b) . . . Succeeding Directors  
4 shall be elected or appointed as provided  
5 for in this Act.

6 (5) Section 3(c), V.A.C.S. Article 8280-196,  
7 refers to certain directors' terms expiring in 1958 and  
8 1959. The revised law omits that provision as  
9 executed. The omitted law reads:

10 (c) The first two named Directors in  
11 Section 3(b) above shall serve until the  
12 first Tuesday in April, 1958, and the  
13 following three named Directors shall serve  
14 until the first Tuesday in April,  
15 1959. . . .

16 (6) Section 3(e), V.A.C.S. Article 8280-196,  
17 describes the procedure for filling a board vacancy.  
18 The revised law omits that provision because it  
19 duplicates, in substance, Section 49.105, Water Code,  
20 enacted in 1995 and applicable to the district by  
21 application of Sections 49.001(a) and 49.002, Water  
22 Code. Section 49.105 establishes procedures for  
23 filling a board vacancy. The omitted law reads:

24 (e) Any vacancies occurring in the  
25 Board of Directors shall be filled for the  
26 unexpired term by a majority vote of the  
27 remaining Directors.

28 [Sections 8101.109-8101.150 reserved for expansion]

29 SUBCHAPTER D. POWERS AND DUTIES

30 Revised Law

31 Sec. 8101.151. POWERS AND DUTIES. The authority has:

- 32 (1) all the powers of a governmental agency; and  
33 (2) the rights, powers, privileges, and functions

34 that:

35 (A) may be contemplated and implied by Section  
36 59, Article XVI, Texas Constitution; or

37 (B) are conferred by the general laws of the  
38 state relating to water control and improvement districts,  
39 including Chapters 49 and 51, Water Code, unless those rights,

1 powers, privileges, or functions conflict with this chapter.  
2 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 13 (part).)

3 Source Law

4 Sec. 1. [Pursuant to and as expressly  
5 authorized by Section 59 of Article XVI of the  
6 Constitution of the State of Texas, . . . "Athens  
7 Municipal Water Authority" . . . shall be recognized  
8 to] exercise all of the powers of . . . a governmental  
9 agency . . . and created to exercise such rights,  
10 powers, privileges and functions as hereinafter  
11 provided and as may be contemplated and implied by the  
12 aforesaid constitutional provision as well as those  
13 conferred by the General Laws of the state relating to  
14 water control and improvement districts wherein not in  
15 conflict with the provisions of this Act.

16 Sec. 13. Except as otherwise provided herein,  
17 the Authority is hereby vested with all of the rights,  
18 power and privileges conferred by the general laws of  
19 this state now in effect or hereinafter enacted,  
20 applicable to water control and improvement districts  
21 created under authority of Section 59, Article XVI of  
22 the Constitution. . . .

23 Revisor's Note

24 (1) Section 13, V.A.C.S. Article 8280-196,  
25 states that the Athens Municipal Water Authority has  
26 the rights, power, and privileges conferred by the  
27 general laws of this state "now in effect or  
28 hereinafter enacted." The revised law omits the  
29 quoted phrase as unnecessary because it duplicates  
30 accepted general principles of statutory  
31 construction. The "general laws of this state" means  
32 those laws "now in effect." It is not necessary to  
33 state that an entity may be granted additional powers  
34 by later enacted laws because those laws will apply on  
35 their own terms.

36 (2) Sections 1 and 13, V.A.C.S. Article  
37 8280-196, refer to the general laws applicable to  
38 water control and improvement districts. For the  
39 reader's convenience, the revised law adds references  
40 to Chapter 49, Water Code, generally applicable under  
41 Sections 49.001(a) and 49.002 of that chapter to  
42 districts created under Section 59, Article XVI, Texas

1 Constitution, and Chapter 51, Water Code, specifically  
2 applicable to water control and improvement districts.

3 Revised Law

4 Sec. 8101.152. WATER SUPPLY AND DISTRIBUTION. (a) The  
5 authority may develop, construct, or purchase dams, reservoirs, and  
6 underground or other sources of water.

7 (b) The authority may construct or purchase all works,  
8 plants, and other facilities necessary or useful to:

9 (1) provide a source of water supply;

10 (2) store and process the water; and

11 (3) transport and distribute the water for municipal,  
12 domestic, and industrial purposes. (V.A.C.S. Art. 8280-196, Sec. 4  
13 (part).)

14 Source Law

15 Sec. 4. The Authority is hereby empowered (a) to  
16 develop, construct or purchase dams, reservoirs,  
17 underground and other sources of water. The Authority  
18 is empowered to construct or purchase all works,  
19 plants, and other facilities necessary or useful for  
20 the purpose of providing a source of water supply and  
21 storing, processing such water and transporting and  
22 distributing it for municipal, domestic and industrial  
23 purposes. The Authority shall at all times have power  
24 to develop or purchase additional underground or other  
25 sources of water and . . . .

26 Revised Law

27 Sec. 8101.153. WASTE SERVICES. To preserve and protect the  
28 purity of the waters of the authority and this state and to conserve  
29 and reclaim those waters for beneficial use by the inhabitants of  
30 the authority, the authority may provide all plants, works,  
31 facilities, and appliances incident to, helpful to, or necessary to  
32 collect, transport, process, dispose of, and control all domestic,  
33 industrial, or communal wastes, whether fluid, solid, or composite.  
34 (V.A.C.S. Art. 8280-196, Sec. 4 (part).)

35 Source Law

36 Sec. 4. The Authority is hereby empowered . . .  
37 (b) in order to preserve and protect the purity of the  
38 waters of the state and of the Authority and conserve  
39 and reclaim said waters for beneficial use by the  
40 inhabitants of the Authority to provide all plants,  
41 works, facilities and appliances incident to or  
42 helpful or necessary to the collection,

1 transportation, processing, disposal and control of  
2 all domestic, industrial or communal wastes, whether  
3 of fluids, solids or composites.

4 Revised Law

5 Sec. 8101.154. EMINENT DOMAIN. (a) The authority may  
6 exercise the power of eminent domain to acquire land and easements  
7 to carry out any power conferred by this chapter.

8 (b) The authority must exercise the power of eminent domain  
9 in the manner provided by Chapter 21, Property Code.

10 (c) The board shall determine the amount of and character of  
11 interest in land and easements to be acquired. (V.A.C.S.  
12 Art. 8280-196, Sec. 5 (part).)

13 Source Law

14 Sec. 5. For the purpose of carrying out any  
15 power or authority conferred by this Act the Authority  
16 shall have the right to acquire land and easements, by  
17 condemnation in the manner provided by Title 52,  
18 Revised Civil Statutes, as amended, relating to  
19 eminent domain. The amount of and character of  
20 interest in land and easements thus to be acquired  
21 shall be determined by the Board of Directors. . . .

22 Revisor's Note

23 (1) Section 5, V.A.C.S. Article 8280-196,  
24 provides that the authority may exercise the power of  
25 eminent domain to carry out "any power or authority  
26 conferred by this Act." Throughout this chapter, the  
27 revised law omits "authority" when paired in this  
28 manner with "power" as unnecessary because, in  
29 context, "power" has the same meaning as "authority."

30 (2) Section 5, V.A.C.S. Article 8280-196,  
31 provides that the authority may acquire land and  
32 easements "by condemnation" in the manner provided by  
33 the law "relating to eminent domain." The revised law  
34 substitutes "exercise the power of eminent domain" for  
35 the quoted language because the phrases have the same  
36 meaning and the latter phrase is consistent with  
37 modern usage in laws relating to eminent domain.

38 (3) Section 5, V.A.C.S. Article 8280-196,  
39 refers to "Title 52, Revised Civil Statutes, as

1 amended." That title was codified in 1983 as Chapter  
2 21, Property Code. The revised law is drafted  
3 accordingly. In addition, throughout this chapter,  
4 the revised law omits "as amended" as unnecessary.  
5 Under Section 311.027, Government Code (Code  
6 Construction Act), unless expressly provided  
7 otherwise, a reference to a statute applies to all  
8 reenactments, revisions, or amendments of the statute.  
9 Section 311.027, Government Code, applies to Article  
10 8280-196 by application of Section 311.002, Government  
11 Code.

#### 12 Revised Law

13 Sec. 8101.155. COST OF RELOCATING PROPERTY. If the  
14 authority, in the exercise of the power of eminent domain, the power  
15 of relocation, or any other power granted under this chapter, makes  
16 necessary relocating, raising, rerouting, changing the grade of, or  
17 altering the construction of any highway, railroad, electric  
18 transmission line, or pipeline or telephone or telegraph property  
19 or facility, the authority is solely responsible for the expense of  
20 that necessary action. (V.A.C.S. Art. 8280-196, Sec. 5 (part).)

#### 21 Source Law

22 Sec. 5. . . . In the event that the Authority,  
23 in the exercise of the power of eminent domain or  
24 power of relocation, or any other power granted  
25 hereunder, makes necessary the relocation, raising,  
26 rerouting or changing the grade of, or altering the  
27 construction of any highway, railroad, electric  
28 transmission line or pipeline or telephone or  
29 telegraph properties and facilities, all such  
30 necessary relocation, raising, rerouting, changing of  
31 grade or alteration of construction shall be  
32 accomplished at the sole expense of the Authority.

#### 33 Revised Law

34 Sec. 8101.156. CONSTRUCTION OR PURCHASE CONTRACTS. (a)  
35 Except as provided by Subsection (e), the authority shall award a  
36 construction contract or contract for the purchase of materials,  
37 equipment, or supplies requiring an expenditure of more than \$2,000  
38 to the lowest and best bidder.

39 (b) Notice to bidders must be published once each week for

1 two weeks before the contract is awarded.

2 (c) The notice is sufficient if it states:

3 (1) the time and place for opening the bids;

4 (2) the general nature of the work to be done or the  
5 material, equipment, or supplies to be purchased; and

6 (3) where and how copies of the plans and  
7 specifications may be obtained.

8 (d) The notice must be printed in a newspaper that is  
9 designated by the board and that is published in Henderson County.

10 (e) This section does not apply to the purchase of a system  
11 or part of a system in existence at the time of the purchase.

12 (V.A.C.S. Art. 8280-196, Sec. 6.)

13 Source Law

14 Sec. 6. Any construction contract or contract  
15 for the purchase of materials, equipment or supplies  
16 requiring an expenditure of more than Two Thousand  
17 Dollars (\$2,000.00) shall be made to the lowest and  
18 best bidder after publication of a notice to bidders  
19 once each week for two (2) weeks before awarding the  
20 contract. Such notice shall be sufficient if it states  
21 the time and place when and where the bids will be  
22 opened, the general nature of the work to be done, or  
23 the material, equipment or supplies to be purchased,  
24 and states where and the terms upon which copies of the  
25 plans and specifications may be obtained. The  
26 publication shall be in a newspaper published in  
27 Henderson County and designated by the Board of  
28 Directors. This section, however, shall not apply to  
29 the purchase of any system or part thereof in existence  
30 at the time of such purchase.

31 Revised Law

32 Sec. 8101.157. CONTRACTS WITH MUNICIPALITIES AND OTHERS.

33 (a) The authority may contract with municipalities and others for  
34 supplying services to them.

35 (b) The authority may contract with any municipality for the  
36 rental, lease, or operation of the water production, water supply,  
37 and water supply facilities of the authority for the consideration  
38 agreed to by the authority and the municipality.

39 (c) The authority may contract with any municipality for the  
40 rental, lease, or operation of the water production, water supply,  
41 and water supply facilities or sanitary sewer system of the  
42 municipality for the consideration agreed to by the authority and

1 the municipality.

2 (d) A contract under this section:

3 (1) may be on the terms and for the period to which the  
4 parties agree; and

5 (2) may provide that the contract continues in effect  
6 until the bonds specified by the contract and refunding bonds  
7 issued in place of those bonds are paid. (V.A.C.S. Art. 8280-196,  
8 Sec. 9.)

9 Source Law

10 Sec. 9. The Authority is authorized to enter  
11 into contracts with cities and others for supplying  
12 services to them. The Authority is also authorized to  
13 contract with any city for the rental or leasing of, or  
14 for the operation of the water production, water  
15 supply, and water supply facilities of the Authority  
16 upon such consideration as the Authority and the city  
17 may agree. The Authority is also authorized to  
18 contract with any city for the rental or leasing of, or  
19 for the operation of the water production, water  
20 supply, and water supply facilities or sanitary sewer  
21 system of such city upon such consideration as the  
22 Authority and the city may agree. Any such contract  
23 may be upon such terms and for such time as the parties  
24 may agree, and it may provide that it shall continue in  
25 effect until the bonds specified therein and refunding  
26 bonds issued in lieu of such bonds are paid.

27 Revisor's Note  
28 (End of Subchapter)

29 (1) Section 3(g), V.A.C.S. Article 8280-196,  
30 authorizes the authority's board to adopt a seal for  
31 the authority. The revised law omits this provision  
32 because it duplicates Section 49.061, Water Code,  
33 which applies to the authority under Sections  
34 49.001(a) and 49.002, Water Code. The omitted law  
35 reads:

36 (g) . . . The Board shall adopt a  
37 seal for the Authority.

38 (2) Section 3(g), V.A.C.S. Article 8280-196,  
39 authorizes the board to appoint certain employees.  
40 The revised law omits that provision because it  
41 duplicates, in substance, part of Section 49.057(a),  
42 Water Code, which applies to the authority under  
43 Sections 49.001(a) and 49.002, Water Code. The

1 omitted law reads:

2 (g) . . . The Board shall appoint  
3 all necessary engineers, attorneys and  
4 other employees. . . .

5 (3) Section 4, V.A.C.S. Article 8280-196,  
6 authorizes the authority to "improve, enlarge, and  
7 extend" its water system. The revised law omits that  
8 provision because it duplicates, in substance,  
9 provisions of Section 49.211, Water Code, which  
10 applies to the district under Sections 49.001(a) and  
11 49.002, Water Code. The omitted law reads:

12 Sec. 4. . . . The Authority shall  
13 . . . have power . . . to improve, enlarge  
14 and extend its water system. . . .

15 (4) Section 4, V.A.C.S. Article 8280-196,  
16 authorizes the authority to contract for the purchase  
17 of water. The revised law omits that provision because  
18 it duplicates, in substance, part of Section  
19 49.213(c), which authorizes contracts to purchase or  
20 sell water and which applies to the revised law under  
21 Sections 49.001(a) and 49.002, Water Code. The  
22 omitted law reads:

23 Sec. 4. . . . The Authority is also  
24 authorized to make contracts for the  
25 purchase of water; . . . .

26 (5) Section 13, V.A.C.S. Article 8280-196,  
27 includes several provisions controlling the creation  
28 of the district that are exceptions to the  
29 applicability of the general laws relating to the  
30 creation of water control and improvement districts.  
31 The revised law omits those provisions as executed.  
32 The omitted law reads:

33 Sec. 13. . . . It shall, however,  
34 not be necessary for the Board of Directors  
35 to call a confirmation election or to hold a  
36 hearing on exclusion of lands or a hearing  
37 on the adoption of a plan of taxation,  
38 but . . . .

39 [Sections 8101.158-8101.200 reserved for expansion]

1 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

2 Revised Law

3 Sec. 8101.201. TAX METHOD. The authority shall use the ad  
4 valorem plan of taxation. (V.A.C.S. Art. 8280-196, Sec. 13  
5 (part).)

6 Source Law

7 Sec. 13. . . . the ad valorem plan of taxation  
8 shall be used by the Authority.

9 Revised Law

10 Sec. 8101.202. TAX ASSESSOR AND COLLECTOR. Before issuing  
11 bonds payable wholly or partly from ad valorem taxes or imposing ad  
12 valorem taxes for any other purpose, the board shall:

- 13 (1) appoint a tax assessor and collector;  
14 (2) provide for taxes to be assessed; and  
15 (3) provide for the preparation of tax rolls.

16 (V.A.C.S. Art. 8280-196, Sec. 8 (part).)

17 Source Law

18 Sec. 8. Prior to the issuance of bonds payable  
19 wholly or partially from ad valorem taxes and prior to  
20 the levy of taxes for any other purpose the Board of  
21 Directors shall appoint a Tax Assessor and Collector  
22 and a Board of Equalization consisting of five (5)  
23 members, and shall cause taxes to be assessed,  
24 valuations to be equalized, and tax rolls to be  
25 prepared. . . .

26 Revisor's Note

27 (1) Section 8, V.A.C.S. Article 8280-196,  
28 refers to the "levy" of taxes. The revised law  
29 substitutes "impose" for "levy" because "impose" is  
30 the term generally used in Title 1, Tax Code, and  
31 includes the levy, assessment, and collection of a  
32 tax.

33 (2) Section 8, V.A.C.S. Article 8280-196,  
34 states that the authority's board shall appoint "a  
35 Board of Equalization consisting of five (5) members."  
36 The revised law omits the reference to the Board of  
37 Equalization because the functions and duties of the  
38 Board of Equalization were repealed by the 1979

1 passage of the Property Tax Code, Title 1, Tax Code  
2 (Section 1, Chapter 841, Acts of the 66th Legislature,  
3 Regular Session).

4 (3) Section 8, V.A.C.S. Article 8280-196,  
5 states that the authority's board shall cause taxes to  
6 be assessed and "valuations to be equalized." The  
7 revised law omits the quoted language because the  
8 functions and duties of the Board of Equalization,  
9 including equalizing valuations, were repealed by the  
10 1979 passage of the Property Tax Code, Title 1, Tax  
11 Code. Section 6.01, Tax Code, creates appraisal  
12 districts throughout the state with sole authority to  
13 appraise property in their districts. Section 6.01,  
14 Tax Code, applies to Article 8280-196 by application  
15 of Section 1.02, Tax Code.

16 (4) Section 8, V.A.C.S. Article 8280-196,  
17 enacted in 1957 and never amended, provides procedures  
18 for imposing property taxes. The revised law omits the  
19 provisions of Section 8 relating to imposition of  
20 property taxes as impliedly repealed by Title 1, Tax  
21 Code, enacted in 1979, which was intended as a  
22 comprehensive, substantive recodification of all  
23 property tax law and its administration. The omitted  
24 law reads:

25 Sec. 8. . . . Where applicable and  
26 not in conflict herewith the general laws  
27 relating to water control and improvement  
28 districts with reference to Tax Assessors  
29 and Collectors, Boards of Equalization, tax  
30 rolls and the levy and collection of taxes  
31 and delinquent taxes, shall be applicable  
32 to the district. The Board of Equalization  
33 shall be appointed annually. All provision  
34 of the general laws pertaining to the levy,  
35 assessment and collection of ad valorem  
36 taxes by water control and improvement  
37 districts, including the enforcement  
38 thereof, and the processes for the  
39 collection of delinquent taxes therein  
40 provided shall be applicable to the  
41 Authority herein created. Within ten (10)  
42 days after the amount of the assessed  
43 valuation of property shall have been

1 certified to the Board of Directors by the  
2 Assessor and Collector of Taxes, it shall be  
3 the duty of the Board to fix the tax rate of  
4 the Authority for the current year and to  
5 certify such rate to the Assessor and  
6 Collector immediately after it shall have  
7 been fixed. The Assessor and Collector  
8 shall extend on the tax rolls as to each  
9 item of taxable property shown to be  
10 situated in the Authority the amount of tax  
11 levied by and for the Authority.

12 Revised Law

13 Sec. 8101.203. DEPOSITORY. (a) The board shall designate  
14 one or more banks to serve as depository for the authority's money.

15 (b) All of the authority's money shall be deposited in the  
16 depository bank or banks, except that:

17 (1) money pledged to pay bonds may be deposited with  
18 the trustee bank or banks named in the trust indenture; and

19 (2) money for payment of the principal of and interest  
20 on bonds shall be remitted to the bank of payment.

21 (c) To the extent that money in the depository banks and the  
22 trustee bank are not insured by the Federal Deposit Insurance  
23 Corporation, they must be secured in the manner provided by law for  
24 the security of county funds.

25 (d) Before designating a depository bank or banks, the board  
26 shall issue a notice that:

27 (1) states the time and place of the board's meeting  
28 for that purpose; and

29 (2) invites the banks to submit applications to be  
30 designated depositories.

31 (e) The notice must be published one time in a newspaper  
32 published in the city of Athens at least 10 days before the date set  
33 for receiving applications.

34 (f) The board shall prescribe the terms of service for  
35 depositories.

36 (g) At the time mentioned in the notice, the board shall:

37 (1) consider the applications and the management and  
38 condition of the banks filing applications; and

39 (2) designate as depository the bank or banks that:

1 (A) offer the most favorable terms for handling  
2 the authority's money; and

3 (B) the board finds have proper management and  
4 are in condition to handle the authority's money.

5 (h) If the board does not receive any applications by the  
6 time stated in the notice, or if the board rejects all applications,  
7 the board shall designate a bank or banks on terms it finds  
8 advantageous to the authority. (V.A.C.S. Art. 8280-196, Sec. 10.)

9 Source Law

10 Sec. 10. (a) The Board of Directors shall  
11 designate one (1) or more banks to serve as depository  
12 for the funds of the Authority, all funds of the  
13 Authority shall be deposited in such depository bank  
14 or banks except that funds pledged to pay bonds may be  
15 deposited with the trustee bank or banks named in the  
16 trust indenture, and except that funds shall be  
17 remitted to the bank of payment for payment of  
18 principal of and interest on bonds. To the extent that  
19 funds in the depository banks and the trustee bank are  
20 not insured by the Federal Deposit Insurance  
21 Corporation they shall be secured in the manner  
22 provided by law for the security of county funds.

23 (b) Before designating a depository bank or  
24 banks, the Board of Directors shall issue a notice  
25 stating the time and place when and where the Board  
26 will meet for such purpose and inviting the banks to  
27 submit applications to be designated depositories.  
28 The terms of service for depositories shall be  
29 prescribed by the Board. Such notice shall be  
30 published one time in a newspaper published in the City  
31 of Athens at least ten (10) days before the date set  
32 for receiving applications.

33 (c) At the time mentioned in the notice, the  
34 Board shall consider the applications and the  
35 management and condition of the banks filing them, and  
36 shall designate as depositories the bank or banks  
37 which offer the most favorable terms and conditions  
38 for the handling of the funds of the Authority and  
39 which the Board finds have proper management and are in  
40 condition to warrant handling of the Authority funds.

41 (d) If no application is received by the time  
42 stated in the notice or if no application is accepted,  
43 the Board shall designate some bank or banks within or  
44 without Henderson County upon such terms and  
45 conditions as it may find advantageous to the  
46 Authority.

47 Revisor's Note

48 (1) Sections 10(c) and (d), V.A.C.S. Article  
49 8280-196, state that the authority's board shall  
50 choose a bank as depository based in part on whichever  
51 bank offers the most favorable "terms and conditions."  
52 The revised law omits "conditions" as unnecessary

1 because "conditions" is included in the meaning of  
2 "terms."

3 (2) Section 10(d), V.A.C.S. Article 8280-196,  
4 states that the authority's board shall designate a  
5 depository bank "within or without Henderson County."  
6 The revised law omits the quoted phrase because it does  
7 not act as a grant of, or limitation on, the power of  
8 the directors or on the location of the bank.

9 [Sections 8101.204-8101.250 reserved for expansion]

10 SUBCHAPTER F. BONDS

11 Revised Law

12 Sec. 8101.251. AUTHORITY TO ISSUE BONDS. (a) The authority  
13 may issue bonds to:

14 (1) purchase or otherwise provide works, plants,  
15 facilities, or appliances necessary to accomplish the purposes  
16 authorized by this chapter; or

17 (2) exercise any other power conferred by this  
18 chapter.

19 (b) Bonds issued by the authority must be payable from  
20 revenue or ad valorem taxes. If bonds are payable wholly from  
21 revenue, the revenue may be pledged by board resolution without an  
22 election. (V.A.C.S. Art. 8280-196, Sec. 7(a) (part).)

23 Source Law

24 Sec. 7. (a) For the purpose of purchasing or  
25 otherwise providing works, plants, facilities or  
26 appliances necessary to the accomplishment of the  
27 purposes authorized by this Act, and for the purpose of  
28 carrying out any other power or authority conferred by  
29 this Act, the Authority is empowered to issue its  
30 negotiable bonds payable from ad valorem taxes or  
31 payable from such revenues of the Authority as are  
32 pledged by resolution of the Board of Directors  
33 without an election, if payable wholly from revenues,  
34 and . . . .

35 Revisor's Note

36 Section 7(a), V.A.C.S. Article 8280-196,  
37 authorizes the Athens Municipal Water Authority to  
38 issue "negotiable" bonds. The revised law omits the  
39 word "negotiable" as unnecessary because under Section

1 1201.041, Government Code, a public security is a  
2 negotiable instrument. Section 1201.041 applies to  
3 bonds issued under Article 8280-196 by application of  
4 Section 1201.002, Government Code.

5 Revised Law

6 Sec. 8101.252. REFUNDING BONDS. (a) The authority may  
7 issue refunding bonds to refund outstanding bonds issued under this  
8 subchapter and interest on those bonds.

9 (b) Refunding bonds may:

10 (1) be issued to refund bonds of more than series;

11 (2) combine the pledges for the outstanding bonds for  
12 the security of the refunding bonds; or

13 (3) be secured by a pledge of other or additional  
14 revenue or mortgage liens.

15 (c) The provisions of this subchapter regarding the  
16 issuance of other bonds, their security, and the remedies of the  
17 holders apply to refunding bonds, except that an election is not  
18 required for refunding bonds.

19 (d) The comptroller shall register the refunding bonds on  
20 surrender and cancellation of the bonds to be refunded.

21 (e) Instead of issuing bonds to be registered on the  
22 surrender and cancellation of the bonds to be refunded, the  
23 authority, in the resolution authorizing the issuance of the  
24 refunding bonds, may provide for the sale of the refunding bonds and  
25 the deposit of the proceeds in a bank at which the bonds to be  
26 refunded are payable. In that case, the refunding bonds may be  
27 issued in an amount sufficient to pay the principal of and interest  
28 on the bonds to be refunded to their option date or maturity date,  
29 and the comptroller shall register the refunding bonds without the  
30 surrender and cancellation of the bonds to be refunded. (V.A.C.S.  
31 Art. 8280-196, Sec. 7(g).)

32 Source Law

33 (g) The Authority is authorized to issue  
34 refunding bonds for the purpose of refunding any  
35 outstanding bonds authorized by this Act and interest

1 hereon. Such refunding bonds may be issued to refund  
2 more than one (1) series of outstanding bonds and  
3 combine the pledges for the outstanding bonds for the  
4 security of the refunding bonds, and may be secured by  
5 other or additional revenues and mortgage liens. The  
6 provisions of this law with reference to the issuance  
7 of other bonds, their security and their approval by  
8 the Attorney General and the remedies of the holders  
9 shall be applicable to refunding bonds provided that  
10 no election shall be necessary to authorize the  
11 issuance of refunding bonds. Refunding bonds shall be  
12 registered by the Comptroller upon surrender and  
13 cancellation of the bonds to be refunded, or in lieu  
14 thereof, the resolution authorizing their issuance may  
15 provide that they may be sold and the proceeds thereof  
16 deposited in a bank where the original bonds are  
17 payable, in which case the refunding bonds may be  
18 issued in an amount sufficient to pay the principal of  
19 and the interest on the original bonds to their option  
20 date or maturity date, and the Comptroller shall  
21 register them without concurrent surrender and  
22 cancellation of the original bonds.

23 Revisor's Note

24 Section 7(g), V.A.C.S. Article 8280-196, refers  
25 to the "approval by the Attorney General" of refunding  
26 bonds. The revised law omits the quoted language as  
27 unnecessary because it is superseded by Section  
28 1202.003, Government Code, enacted in 1987 as Section  
29 3.002(a), Chapter 53, Acts of the 70th Legislature,  
30 2nd Called Session (Article 717k-8, Vernon's Texas  
31 Civil Statutes). That section applies to bonds issued  
32 under Article 8280-196, by application of Section  
33 1202.001, Government Code.

34 Revised Law

35 Sec. 8101.253. FORM OF BONDS. (a) An authority bond must:

- 36 (1) be issued in the name of the authority;  
37 (2) be signed by the president;  
38 (3) be attested to by the secretary; and  
39 (4) have the authority seal impressed on it or a  
40 facsimile seal printed on it.

41 (b) At the option of the board, a bond may be signed in  
42 accordance with Chapter 618, Government Code. (V.A.C.S.  
43 Art. 8280-196, Sec. 7(a) (part).)

44 Source Law

45 (a) . . . [bonds] . . . shall be issued in the

1 name of the Authority, signed by the president,  
2 attested by the secretary and have the seal of the  
3 Authority impressed thereon or a facsimile seal  
4 printed or lithographed thereon. At the option of the  
5 Board of Directors said bonds may be signed in  
6 accordance with Article 717j, V.A.T.S., as  
7 amended. . . .

8 Revisor's Note

9 (1) Section 7(a), V.A.C.S. Article 8280-196,  
10 refers to bonds having a facsimile seal of the  
11 authority printed "or lithographed" on them. The  
12 revised law omits "or lithographed" as unnecessary  
13 because "lithographed" is included in the meaning of  
14 "printed."

15 (2) Section 7(a), V.A.C.S. Article 8280-196,  
16 refers to bonds signed in accordance with "Article  
17 717j, V.A.T.S." That statute was codified in 1999 as  
18 Chapter 618, Government Code. The revised law is  
19 drafted accordingly.

20 Revised Law

21 Sec. 8101.254. MATURITY. Bonds issued under this  
22 subchapter must mature within 40 years. (V.A.C.S. Art. 8280-196,  
23 Sec. 7(a) (part).)

24 Source Law

25 (a) . . . They shall mature serially or  
26 otherwise in not to exceed forty (40) years,  
27 and . . . .

28 Revisor's Note

29 Section 7(a), V.A.C.S. Article 8280-196,  
30 provides that bonds issued under that law may mature  
31 "serially or otherwise." The revised law omits the  
32 quoted language as unnecessary because it does not act  
33 as a limitation on the authority to issue the bonds.

34 Revised Law

35 Sec. 8101.255. TRUST INDENTURE. The trust indenture may  
36 contain provisions prescribed by the board that:

37 (1) provide for the security of the bonds and the  
38 operation and preservation of the trust estate;

1 (2) provide for amendment or modification of the trust  
2 indenture;

3 (3) provide for the issuance of bonds to replace lost  
4 or mutilated bonds; and

5 (4) condition the right to spend authority money or  
6 sell authority property on the approval of a licensed engineer  
7 selected as provided by the trust indenture. (V.A.C.S.  
8 Art. 8280-196, Sec. 7(i).)

9 Source Law

10 (i) The trust indenture may contain provisions  
11 prescribed by the Board of Directors for the security  
12 of the bonds and the operation and preservation of the  
13 trust estate, and may make provision for amendment or  
14 modification of the trust indenture, and the issuance  
15 of bonds to replace lost or mutilated bonds, and may  
16 condition the right to expend Authority money or sell  
17 Authority property upon the approval of a registered  
18 professional engineer selected as provided therein.

19 Revisor's Note

20 Section 7(i), Article 8280-196, refers to a  
21 "registered professional engineer." The revised law  
22 substitutes "licensed engineer" for the quoted phrase  
23 because under Chapter 1001, Occupations Code,  
24 engineers are licensed, not registered, and the  
25 revised law is drafted accordingly.

26 Revised Law

27 Sec. 8101.256. ELECTION FOR BONDS PAYABLE FROM AD VALOREM  
28 TAXES. The authority may not issue bonds payable wholly or partly  
29 from ad valorem taxes unless the voters of the authority authorize  
30 that issuance at an election held for that purpose in the manner  
31 prescribed by Section 49.106, Water Code. (V.A.C.S. Art. 8280-196,  
32 Sec. 7(a) (part).)

33 Source Law

34 (a) . . . Any such bonds payable wholly or  
35 partly from ad valorem taxes shall be submitted to and  
36 authorized by the resident, qualified property  
37 taxpaying voters of the Authority. Such election  
38 shall be called and held in the manner required by  
39 Chapter 25, Acts 39th Legislature, 1925, as amended,  
40 relating to elections for the issuance of tax bonds by  
41 water control and improvement districts.

1 Revisor's Note

2 (1) Section 7(a), V.A.C.S. Article 8280-196,  
3 refers to "Chapter 25, Acts 39th Legislature, 1925, as  
4 amended." The revised law substitutes a reference to  
5 Section 49.106, Water Code, for the reasons stated in  
6 Revisor's Notes (4) and (5) to Section 8101.053.

7 (2) Section 7(a), V.A.C.S. Article 8280-196,  
8 states that the Athens Municipal Water Authority  
9 shall hold bond elections according to the law  
10 "relating to elections for the issuance of tax bonds by  
11 water control and improvement districts." The revised  
12 law omits the quoted language as unnecessary because  
13 it refers to the appropriate section of law, Section  
14 49.106, Water Code, and provides sufficient  
15 explanation regarding its text so that it is not  
16 necessary to repeat the subject matter of the law here.

17 Revised Law

18 Sec. 8101.257. BOND SECURITY; REVENUE; TAXES; ADDITIONAL  
19 BONDS. (a) In this section, "net revenue" means the gross revenue  
20 of the authority after deducting the amount necessary to pay the  
21 cost of maintaining and operating the authority, including its  
22 properties.

23 (b) Bonds issued under this subchapter may be secured by:

24 (1) a pledge of all or part of the net revenue of the  
25 authority, including the net revenue of a past or future contract;  
26 or

27 (2) other revenue and income specified by resolution  
28 of the board or the trust indenture.

29 (c) If bonds are issued payable wholly or partly from taxes,  
30 the board shall impose taxes on all taxable property in the  
31 authority without limit as to rate or amount while those bonds are  
32 outstanding. The board shall impose the taxes in amounts:

33 (1) sufficient to pay the principal of and interest on  
34 the bonds annually as they mature; or



1 vesting in the trustee under the trust indenture the power to:

2 (1) sell the properties for payment of the debt;

3 (2) operate the properties; and

4 (3) take any other action to secure the bonds.

5 (b) A purchaser under a sale under the deed of trust:

6 (1) is the absolute owner of the properties and  
7 facilities purchased; and

8 (2) is entitled to maintain and operate those  
9 properties and facilities. (V.A.C.S. Art. 8280-196, Sec. 7(h).)

10 Source Law

11 (h) Any bonds (including refunding bonds)  
12 payable partly or wholly from a pledge of revenues  
13 authorized by this law may be additionally secured by a  
14 mortgage lien upon physical properties of the  
15 Authority and all franchises, easements, water rights  
16 and appropriation permits, leases, and contracts and  
17 all rights appurtenant to such properties, vesting in  
18 the trustee under the trust indenture power to sell the  
19 properties for payment of the indebtedness, power to  
20 operate the properties and all other powers and  
21 authority for the further security of the bonds. Any  
22 purchaser under a sale under such deed of trust shall  
23 be the absolute owner of the properties and facilities  
24 so purchased and shall have the right to maintain and  
25 operate the same.

26 Revised Law

27 Sec. 8101.259. CHARGES FOR AUTHORITY SERVICES. The board  
28 shall set the rates of compensation for services rendered by the  
29 authority so that the authority has enough money to pay the expenses  
30 of operating and maintaining the facilities of the authority, to  
31 pay bonds as they mature and the interest as it accrues, and to  
32 maintain the reserve and other funds as provided in the resolution  
33 authorizing the bonds or in the trust indenture. (V.A.C.S.  
34 Art. 8280-196, Sec. 7(d).)

35 Source Law

36 (d) It shall be the duty of the Board of  
37 Directors to fix, and from time to time revise, the  
38 rates of compensation for services rendered by the  
39 Authority which will be sufficient to pay the expenses  
40 of operating and maintaining the facilities of the  
41 Authority to pay the bonds as they shall mature and the  
42 interest as it accrues and to maintain the reserve and  
43 other funds as provided in the resolution authorizing  
44 the bonds or in the trust indenture.

1 Revisor's Note

2 Section 7(d), V.A.C.S. Article 8280-196, states  
3 that the board has a duty to "fix, and from time to time  
4 revise, the rates" the Athens Municipal Water  
5 Authority charges for the use of its facilities or  
6 services. The revised law omits "and from time to time  
7 revise" as unnecessary because the duty to set the  
8 rates includes the duty to revise them from time to  
9 time.

10 Revised Law

11 Sec. 8101.260. USE OF BOND PROCEEDS. (a) The authority may  
12 set aside and use proceeds from bond sales for:

13 (1) the payment of interest expected to accrue during  
14 construction and the first year after construction; and

15 (2) a reserve interest and sinking fund.

16 (b) The authority may provide in the resolution authorizing  
17 the bonds or in the trust indenture for setting aside and using the  
18 proceeds as described by Subsection (a).

19 (c) The authority may use proceeds from the sale of bonds to  
20 pay an expense incurred in accomplishing the purposes of the  
21 authority. (V.A.C.S. Art. 8280-196, Sec. 7(e).)

22 Source Law

23 (e) From the proceeds from the sale of the  
24 bonds, the Authority may set aside an amount for the  
25 payment of interest expected to accrue during  
26 construction and one (1) year thereafter, and, in  
27 addition thereto, a reserve interest and sinking fund,  
28 and such provision may be made in the resolution  
29 authorizing the bonds or in the trust indenture.  
30 Proceeds from the sale of the bonds may also be used  
31 for the payment of all expenses incurred in  
32 accomplishing the purposes for which this Authority is  
33 created.

34 Revised Law

35 Sec. 8101.261. APPOINTMENT OF RECEIVER. (a) On default or  
36 threatened default in the payment of the principal of or interest on  
37 bonds issued under this subchapter that are payable wholly or  
38 partly from revenue, a court may, on petition of the holders of  
39 outstanding bonds, appoint a receiver for the authority.

1 (b) The receiver, without consent of or hindrance by the  
2 board, may:

- 3 (1) collect and receive all authority income;
- 4 (2) employ and discharge authority agents and  
5 employees;
- 6 (3) take charge of money on hand; and
- 7 (4) manage the affairs of the authority.

8 (c) The receiver may be authorized to sell or contract for  
9 the sale of services of the authority's facilities or to renew those  
10 contracts with the approval of the appointing court.

11 (d) The court may vest the receiver with any other power or  
12 duty the court finds necessary to protect the bondholders.

13 (e) The resolution that authorizes the issuance of the bonds  
14 or the trust indenture securing their payment may:

15 (1) specify the minimum percentage of outstanding  
16 bonds that must be held by the bondholders seeking the appointment  
17 of a receiver; or

18 (2) otherwise qualify the right of bondholders to  
19 institute litigation that might affect the authority's property,  
20 including money. (V.A.C.S. Art. 8280-196, Sec. 7(f).)

21 Source Law

22 (f) In the event of a default or a threatened  
23 default in the payment of principal of or interest on  
24 bonds payable wholly or partially from revenues, any  
25 court of competent jurisdiction may upon petition of  
26 the holders of outstanding bonds appoint a receiver  
27 with authority to collect and receive all income of the  
28 Authority, employ and discharge agents and employees  
29 of the Authority, take charge of funds on hand and  
30 manage the affairs of the Authority without consent of  
31 or hindrance by the Directors. Such receiver may also  
32 be authorized to sell or make contracts for the sale of  
33 services of the facilities of the Authority or renew  
34 such contracts with the approval of the court  
35 appointing him. The court may vest the receiver with  
36 such other powers and duties as it may find necessary  
37 for the protection of the holders of the bonds. It is  
38 provided, however, that the resolution authorizing the  
39 issuance of the bonds or the trust indenture securing  
40 their payment may specify the minimum per cent of  
41 outstanding bonds which must be held by the holders  
42 seeking the appointment of a receiver, and may  
43 otherwise qualify the right of holders to institute  
44 litigation which might affect the Authority's property  
45 or funds.

1 Revisor's Note

2 Section 7(f), V.A.C.S. Article 8280-196, refers  
3 to a court "of competent jurisdiction." The revised  
4 law omits the quoted language as unnecessary because a  
5 suit may only be brought in a court, and the general  
6 laws of civil jurisdiction determine which courts have  
7 "competent jurisdiction" over the matter. For  
8 example, see Section 24.303, Government Code, for the  
9 jurisdiction of certain district courts to appoint  
10 receivers.

11 Revised Law

12 Sec. 8101.262. BONDS SECURED BY CONTRACT PROCEEDS;  
13 APPROVAL. (a) If bonds issued under this subchapter state that  
14 they are secured by a pledge of the proceeds of a contract  
15 previously made between the authority and a municipality or other  
16 governmental agency, including a district, a copy of that contract  
17 and the proceedings of the entity authorizing the contract must be  
18 submitted to the attorney general along with the bonds.

19 (b) If the attorney general finds that the bonds have been  
20 authorized and the contract has been made in accordance with law,  
21 the attorney general shall approve the bonds and contract.  
22 (V.A.C.S. Art. 8280-196, Sec. 7(j) (part).)

23 Source Law

24 (j) . . . Where such bonds recite that they are  
25 secured by a pledge of the proceeds of a contract  
26 theretofore made between the Authority and any city or  
27 other governmental agency or district, a copy of such  
28 contract and the proceedings of the city or other  
29 governmental agency or district authorizing such  
30 contract shall also be submitted to the Attorney  
31 General. If such bonds have been authorized and if  
32 such contracts have been made in accordance with the  
33 Constitution and laws of the State of Texas he shall  
34 approve the bonds and such contracts, and . . . .

35 Revisor's Note

36 (1) Section 7(j), V.A.C.S. Article 8280-196,  
37 requires the Athens Municipal Water Authority to  
38 deliver bonds it issues to the attorney general for  
39 examination and approval. The revised law omits that

1 provision as unnecessary for the reasons stated in the  
2 revisor's note to Section 8101.252. The omitted law  
3 reads:

4 (j) After any bonds are authorized by  
5 the Authority, such bonds and the record  
6 relating to their issuance shall be  
7 submitted to the Attorney General for his  
8 examination as to the validity thereof.  
9 . . .

10 (2) Section 7(j), V.A.C.S. Article 8280-196,  
11 provides that after approval by the attorney general  
12 the bonds shall be registered by the comptroller. The  
13 revised law omits that provision as unnecessary  
14 because it is superseded by Section 1202.005,  
15 Government Code, enacted in 1987 as Section 3.002(c),  
16 Chapter 53, Acts of the 70th Legislature, 2nd Called  
17 Session (Article 717k-8, Vernon's Texas Civil  
18 Statutes). That section applies to bonds issued under  
19 Article 8280-196 by application of Section 1202.001,  
20 Government Code. The omitted law reads:

21 (j) . . . the bonds then shall be  
22 registered by the Comptroller of Public  
23 Accounts. . . .

24 (3) Section 7(j), V.A.C.S. Article 8280-196,  
25 provides that after approval and registration, bonds  
26 issued under Article 8280-196 and any contract, the  
27 proceeds of which are pledged to the payment of the  
28 bonds, are incontestable. The revised law omits that  
29 provision as unnecessary because it duplicates a  
30 provision of Section 1202.006, Government Code,  
31 enacted in 1987 as Section 3.002(d), Chapter 53, Acts  
32 of the 70th Legislature, 2nd Called Session (Article  
33 717k-8, Vernon's Texas Civil Statutes). That section  
34 applies to bonds issued under Article 8280-196 by  
35 application of Section 1202.001, Government Code. The  
36 omitted law reads:

37 (j) . . . Thereafter, the bonds and

1 the contracts, if any, shall be valid and  
2 binding and shall be incontestable for any  
3 cause.

4 Revised Law

5 Sec. 8101.263. BONDS EXEMPT FROM TAXATION. A bond issued  
6 under this subchapter, the transfer of the bond, and income from the  
7 bond, including profits made on the sale of the bond, are exempt  
8 from taxation in this state. (V.A.C.S. Art. 8280-196, Sec. 14  
9 (part).)

10 Source Law

11 Sec. 14. . . . the bonds issued hereunder and  
12 their transfer and the income therefrom including the  
13 profits made on the sale thereof, shall at all times be  
14 free from taxation within the state.

15 Revised Law

16 Sec. 8101.264. PROPERTY EXEMPT FROM TAXATION AND  
17 ASSESSMENT. Property of the authority is exempt from taxation and  
18 assessment. (V.A.C.S. Art. 8280-196, Sec. 14 (part).)

19 Source Law

20 Sec. 14. . . . the Authority . . . shall not  
21 be required to pay any tax or assessment on its  
22 properties or any part thereof, and . . . .

23 Revisor's Note  
24 (End of Subchapter)

25 (1) Section 7(a), V.A.C.S. Article 8280-196,  
26 provides that the Athens Municipal Water Authority may  
27 issue bonds at prices and terms the board determines to  
28 be the most advantageous reasonably obtainable. The  
29 revised law omits that provision as unnecessary  
30 because it is superseded by Section 1201.022(a)(3)(B),  
31 Government Code. That section applies to bonds issued  
32 under Section 7(a) by application of Section 1201.002,  
33 Government Code. In addition, Section 1204.006(b),  
34 Government Code, provides that a public agency may  
35 sell public securities at any price. Section  
36 1204.006(b) applies to bonds issued under Section 7(a)  
37 by application of Sections 1204.001 and 1204.002,  
38 Government Code. The omitted law reads:

1 (a) . . . [bonds] . . . may be sold  
2 at a price and under terms determined by the  
3 Board of Directors to be the most  
4 advantageous reasonably obtainable,  
5 . . . .

6 (2) Section 7(a), V.A.C.S. Article 8280-196,  
7 states that the Athens Municipal Water Authority's  
8 bonds may bear interest at a rate not to exceed six  
9 percent. The revised law omits that provision because  
10 it is superseded by other law. Section 7(a) was  
11 enacted in 1957 by the 55th Legislature. Section  
12 1204.006, Government Code, reflecting the amendment by  
13 Section 1, Chapter 61, Acts of the 67th Legislature,  
14 Regular Session, 1981, permits a public agency to  
15 issue public securities at any net effective interest  
16 rate of 15 percent or less. The later enactment of the  
17 maximum interest rate provision found in Section  
18 1204.006 impliedly repealed the maximum interest rate  
19 provision of Section 7(a). The omitted law reads:

20 (a) . . . [bonds] . . . [may be  
21 sold . . . under terms determined by the  
22 Board of Directors] . . . provided that the  
23 interest cost to the Authority, calculated  
24 by the use of standard bond interest tables  
25 currently in use by insurance companies and  
26 investment houses does not exceed six per  
27 cent (6%) per annum, and . . . .

28 (3) Section 7(a), V.A.C.S. Article 8280-196,  
29 states that bonds issued under Section 7(a) may be  
30 redeemed before maturity at the time and price  
31 specified in the ordinance authorizing the bonds. The  
32 revised law omits as unnecessary that part of Section  
33 7(a) because Sections 1201.021 and 1201.022,  
34 Government Code, provide that a public security may be  
35 redeemed before maturity and be payable in specified  
36 amounts and at specified times. Those sections apply  
37 to bonds issued under Section 7(a) by application of  
38 Section 1201.002, Government Code. The omitted law  
39 reads:

40 (a) . . . [bonds] . . . within the

1           discretion of the Board, may be made  
2           callable prior to maturity at such times and  
3           prices as may be prescribed in the  
4           resolution authorizing the bonds or in the  
5           trust indenture, and . . . .

6           (4) Section 7(a), V.A.C.S. Article 8280-196,  
7           provides that bonds issued under Section 7(a) may be  
8           registered as to principal or as to principal and  
9           interest. The revised law omits as unnecessary that  
10          portion of Section 7(a) because it duplicates Section  
11          1201.024, Government Code. That section applies to  
12          bonds issued under Section 7(a) by application of  
13          Section 1201.002, Government Code. The omitted law  
14          reads:

15                   (a) . . . [bonds] . . . may be made  
16                   registrable as to principal or as to both  
17                   principal and interest. . . .

18          (5) Section 7(b), V.A.C.S. Article 8280-196,  
19          states that Athens Municipal Water Authority bonds may  
20          be issued in "more than one (1) series and from time to  
21          time as required for carrying out the purposes of this  
22          Act." The revised law omits "more than one (1) series"  
23          as unnecessary because it duplicates a provision of  
24          Section 1201.022, Government Code, which applies to  
25          the revised law by application of Section 1201.003,  
26          Government Code. The revised law omits "from time to  
27          time" as unnecessary because the power to issue bonds  
28          implies the power to do so at any time. The revised law  
29          omits "as required for carrying out the purposes of  
30          this Act" as unnecessary because Section 7(a),  
31          V.A.C.S. Article 8280-196, revised in Subchapter F of  
32          this chapter, authorizes the district to issue bonds  
33          for the purposes of the act. The omitted law reads:

34                   (b) Bonds may be issued in more than  
35                   one (1) series and from time to time as  
36                   required for carrying out the purposes of  
37                   this Act.

38          (6) Section 11, V.A.C.S. Article 8280-196,  
39          lists the entities for which bonds issued under

1 Article 8280-196 are legal and authorized investments.  
2 The revised law omits the list as unnecessary because  
3 as to several of the entities listed, Section 11 has  
4 been superseded and impliedly repealed. Investments  
5 in securities by banks are regulated by Section  
6 34.101, Finance Code (enacted in 1995 as Section  
7 5.101, Texas Banking Act (Article 342-5.101, Vernon's  
8 Texas Civil Statutes)). Investments by savings banks  
9 are regulated by Section 93.001(c)(10), Finance Code  
10 (enacted in 1993 as Section 7.15(10), Texas Savings  
11 Bank Act (Article 489e, Vernon's Texas Civil  
12 Statutes)). Investments in securities by trust  
13 companies are regulated by Section 184.101, Finance  
14 Code (enacted in 1997 as Section 5.101, Texas Trust  
15 Company Act (Article 342a-5.101, Vernon's Texas Civil  
16 Statutes)). Investments by savings and loan  
17 associations are regulated by Section 63.002, Finance  
18 Code (last amended in 1985 as Section 5.05, Texas  
19 Savings and Loan Act (Article 852a, Vernon's Texas  
20 Civil Statutes)), and by Section 64.001, Finance Code  
21 (last amended in 1989 as Section 5.01, Texas Savings  
22 and Loan Act (Article 852a, Vernon's Texas Civil  
23 Statutes)). As to the remaining entities listed,  
24 Section 11, V.A.C.S. Article 8280-196, is superseded  
25 by Section 1201.041, Government Code, enacted as  
26 Section 9, Bond Procedures Act of 1981 (Article  
27 717k-6, Vernon's Texas Civil Statutes). (While  
28 Section 11, V.A.C.S. Article 8280-196, lists  
29 "guardians," and Section 1201.041, Government Code,  
30 does not, Section 1201.041 includes "fiduciaries," and  
31 a guardian is a fiduciary.) Section 1201.041,  
32 Government Code, applies to bonds issued under Article  
33 8280-196, by application of Section 1201.002,  
34 Government Code. The omitted law reads:

1           Sec. 11. All bonds of the Authority  
2 shall be and are hereby declared to be legal  
3 and authorized investments for banks,  
4 savings banks, trust companies, building  
5 and loan associations, savings and loan  
6 associations, insurance companies,  
7 fiduciaries, trustees, guardians, and for  
8 the sinking funds of cities, towns,  
9 villages, counties, school districts, or  
10 other political corporations or  
11 subdivisions of the State of Texas. . . .

12           (7) Section 11, V.A.C.S. Article 8280-196,  
13 provides that bonds issued under Article 8280-196 may  
14 secure deposits of public funds of the state or  
15 political subdivisions. The revised law omits that  
16 provision because it is impliedly repealed by Section  
17 404.0221, Government Code (enacted in 1995), which  
18 lists eligible collateral for the comptroller's  
19 deposits of state funds, and by Chapter 2257,  
20 Government Code (enacted in 1989 as Article 2529d,  
21 Vernon's Texas Civil Statutes), which governs eligible  
22 collateral for deposits of funds of other public  
23 agencies, including political subdivisions. The  
24 omitted law reads:

25           Sec. 11. . . . Such bonds shall be  
26 eligible to secure the deposit of any and  
27 all public funds of the State of Texas, and  
28 any and all public funds of cities, towns,  
29 villages, counties, school districts or  
30 other political corporations or  
31 subdivisions of the State of Texas; and such  
32 bonds shall be lawful and sufficient  
33 security for said deposits to the extent of  
34 their par value.

35                           Revisor's Note  
36                           (End of Chapter)

37           (1) Section 15, V.A.C.S. Article 8280-196, and  
38 Section 3, Chapter 157, Acts of the 57th Legislature,  
39 Regular Session, 1961, refer to the severability of  
40 provisions in the acts. The revised law omits those  
41 sections as unnecessary because they duplicate Section  
42 311.032, Government Code (Code Construction Act),  
43 which provides that a provision of a statute is  
44 severable from each other provision of the statute

1 that can be given effect. The omitted law reads:

2 [Art. 8280-196]

3 Sec. 15. If any provisions of this  
4 Act or the application thereof to any person  
5 or circumstance shall be held to be invalid  
6 or unconstitutional, the remainder of the  
7 Act, and the application of such provision  
8 to other persons or circumstances shall not  
9 be affected thereby.

10 [Acts 57th Leg., R.S., Ch. 157]

11 Sec. 3. If any paragraph, sentence,  
12 phrase or portion of this Act be declared  
13 unconstitutional or void for any reason,  
14 such declaration shall not affect, impair  
15 or nullify the validity of any of the  
16 remaining portions hereof.

17 (2) Section 2, Chapter 157, Acts of the 57th  
18 Legislature, Regular Session, 1961, validates the  
19 Athens Municipal Water Authority and the organization  
20 and acts of its board of directors from the date of the  
21 original creation of the district to the date of the  
22 validation. The revised law omits that section as  
23 executed. The omitted law reads:

24 Sec. 2. Athens Municipal Water  
25 Authority as comprised of all the territory  
26 which was located within the corporate  
27 limits of the City of Athens, Henderson  
28 County, Texas, on the 2nd day of May, 1957,  
29 and the boundaries thereof as thus  
30 delineated are hereby in all things  
31 validated and said Authority is hereby  
32 declared to be a validly existing and  
33 operating conservation and reclamation  
34 district pursuant to the provisions of  
35 Section 59 of Article 16 of the Texas  
36 Constitution. The organization of the  
37 Authority's Board of Directors as from time  
38 to time constituted and all governmental  
39 acts and proceedings heretofore performed  
40 and accomplished by said Board and the  
41 officers thereof in connection with the  
42 Authority are hereby in all things  
43 validated as of the respective dates of such  
44 acts and proceedings. Without limiting the  
45 generality of the foregoing the election  
46 held in the Authority on the 8th day of  
47 October, 1957, on the proposition of the  
48 issuance of One Million, One Hundred  
49 Thousand Dollars (\$1,100,000) tax and  
50 revenue supported bonds of the Authority  
51 and all acts and proceedings in connection  
52 therewith are hereby confirmed and  
53 validated. The bonds authorized at said  
54 election are hereby validated and when  
55 approved by the Attorney General of Texas  
56 and registered by the Comptroller of Public  
57 Accounts of Texas and delivered to the

1 purchaser or purchasers thereof, said bonds  
2 shall be incontestable. The water supply  
3 contract, dated the 5th day of March, 1958,  
4 between the Authority and the City of Athens  
5 for the support of the Authority's bonds  
6 aforementioned is hereby validated with the  
7 parties thereto obligated according to the  
8 terms and provisions thereof.

9 CHAPTER 8102. ADDICKS UTILITY DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8102.001. DEFINITION . . . . . 701  
12 Sec. 8102.002. CREATION; NATURE OF DISTRICT . . . . . 701  
13 Sec. 8102.003. LEGISLATIVE FINDINGS . . . . . 702  
14 Sec. 8102.004. DISTRICT TERRITORY . . . . . 703

15 [Sections 8102.005-8102.050 reserved for expansion]

16 SUBCHAPTER B. BOARD OF DIRECTORS

17 Sec. 8102.051. DIRECTORS . . . . . 705

18 [Sections 8102.052-8102.100 reserved for expansion]

19 SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

20 Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND  
21 FUNCTIONS . . . . . 706

22 CHAPTER 8102. ADDICKS UTILITY DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Revised Law

25 Sec. 8102.001. DEFINITION. In this chapter, "district"  
26 means "Addicks Utility District." (V.A.C.S. Art. 8280-548, Sec. 1  
27 (part).)

28 Source Law

29 Sec. 1. . . . to be known as "Addicks Utility  
30 District," hereinafter called the "district," . . . .

31 Revised Law

32 Sec. 8102.002. CREATION; NATURE OF DISTRICT. The district  
33 is a conservation and reclamation district in Harris County, Texas,  
34 created under Section 59, Article XVI, Texas Constitution.  
35 (V.A.C.S. Art. 8280-548, Sec. 1 (part).)

36 Source Law

37 Sec. 1. . . . there is hereby created and  
38 established, under and pursuant to the provisions of  
39 Article XVI, Section 59 of the Constitution of Texas, a  
40 conservation and reclamation district in Harris

1 County, Texas, . . . which shall be a governmental  
2 agency and a body politic and corporate. . . .

3 Revisor's Note

4 (1) Section 1, V.A.C.S. Article 8280-548,  
5 provides that the district is created notwithstanding  
6 certain laws. The revised law omits that provision as  
7 executed because the district has been created. The  
8 omitted law reads:

9 Sec. 1. Notwithstanding provisions of  
10 the general laws relating to consent by  
11 political subdivisions for the creation of  
12 conservation and reclamation districts,  
13 . . . .

14 (2) Section 1, V.A.C.S. Article 8280-548,  
15 refers to the district as "a governmental agency and a  
16 body politic and corporate." The revised law omits the  
17 quoted language because it duplicates a portion of  
18 Section 59(b), Article XVI, Texas Constitution, which  
19 provides that a conservation and reclamation district  
20 is a governmental agency and a body politic and  
21 corporate.

22 Revised Law

23 Sec. 8102.003. LEGISLATIVE FINDINGS. The legislature finds  
24 that:

25 (1) the creation and establishment of the district is  
26 essential to accomplish the purposes of Section 59, Article XVI,  
27 Texas Constitution;

28 (2) all land and other property included in the  
29 boundaries of the district will be benefited by the works and  
30 projects accomplished by the district under the powers conferred by  
31 Section 59, Article XVI, Texas Constitution; and

32 (3) the district is created to serve a public use and  
33 benefit. (V.A.C.S. Art. 8280-548, Secs. 1 (part), 3.)

34 Source Law

35 Sec. 1. . . . The creation and establishment of  
36 the district is hereby declared to be essential to the  
37 accomplishment of the purposes of Article XVI, Section  
38 59 of the Constitution of Texas.



1 Revisor's Note

2 (1) The revision of the law governing the  
3 district does not revise the statutory language  
4 describing the territory of the district to avoid the  
5 lengthy recitation of the description and because that  
6 description may not be accurate at the time of the  
7 revision or of a later reading. For the reader's  
8 convenience, the revised law adds references to the  
9 statutory description of the district's territory and  
10 to statutory authority to change the district's  
11 territory under Subchapter J, Chapter 49, Water Code,  
12 applicable to the district under Sections 49.001(a)  
13 and 49.002 of that chapter. The revised law also  
14 includes a reference to the general authority of the  
15 legislature to enact laws to change the district's  
16 territory.

17 (2) Section 2, V.A.C.S. Article 8280-548,  
18 states that "[i]t is determined and found" that the  
19 boundaries and field notes form a closure. The revised  
20 law omits "determined" because, in context,  
21 "determined" is included in the meaning of "found."

22 (3) Section 2, V.A.C.S. Article 8280-548,  
23 states that a mistake does not affect the right of the  
24 district to issue "bonds or refunding bonds." The  
25 revised law omits as unnecessary the reference to  
26 "refunding bonds" because refunding bonds are included  
27 in the meaning of "bonds."

28 (4) Section 2, V.A.C.S. Article 8280-548,  
29 refers to the district's authority to "assess, levy and  
30 collect" taxes. The revised law substitutes "impose"  
31 for "assess, levy and collect" because "impose" is the  
32 term generally used in Title 1, Tax Code, and includes  
33 the assessment, levying, and collection of a tax.



1 reads:

2 Sec. 6. Immediately after this Act  
3 becomes effective, the following named  
4 persons shall be the directors of the  
5 district and shall constitute the board of  
6 directors of the district:

- 7 Dan Fromhoff
- 8 Les Greenberg
- 9 Jim Gwinn
- 10 Jim Higginbotham
- 11 Jim Holcomb

12 Said persons shall qualify to serve as  
13 directors prior to the first meeting of the  
14 board of directors. Should any of the above  
15 named directors fail to qualify for any  
16 reason, the remaining named directors shall  
17 appoint someone to fill such vacancy or  
18 vacancies; provided, however, that if at  
19 any time the number of qualified directors  
20 shall be less than three because of the  
21 failure or refusal of one or more directors  
22 to qualify or serve or because of his or  
23 their death or incapacitation, or for any  
24 such other reason, the Texas Water Rights  
25 Commission shall appoint the necessary  
26 number of directors to fill all vacancies on  
27 the board. The directors above named or  
28 their duly appointed and qualified  
29 successor or successors shall serve until  
30 the second Saturday in January, 1973. . . .

31 (3) Section 6, V.A.C.S. Article 8280-548,  
32 refers to "succeeding directors" to distinguish the  
33 succeeding directors from the initial directors named  
34 in that section. The revised law omits the reference  
35 to "succeeding" as unnecessary because the provisions  
36 referring to the initial directors are omitted as  
37 executed. See Revisor's Note (2).

38 [Sections 8102.052-8102.100 reserved for expansion]

39 SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

40 Revised Law

41 Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND  
42 FUNCTIONS. (a) The district has all of the rights, powers,  
43 privileges, and functions provided by the general laws of this  
44 state applicable to municipal utility districts, including  
45 Chapters 49 and 54, Water Code.

46 (b) If a provision of a general law that applies to  
47 municipal utility districts is in conflict or inconsistent with  
48 this chapter, this chapter prevails. (V.A.C.S. Art. 8280-548, Sec.

1 5 (part).)

2 Source Law

3 Sec. 5. The district is hereby vested with, and  
4 shall have and exercise, all of the rights, powers,  
5 privileges, authority and functions conferred by the  
6 general laws of this state applicable to municipal  
7 utility districts, including without limitation those  
8 conferred by Chapter 54, Title 4, Water Code, but if  
9 any provision of such general laws shall be in conflict  
10 or inconsistent with the provisions of this Act, the  
11 provisions of this Act shall prevail. . . .

12 Revisor's Note

13 (1) Section 5, V.A.C.S. Article 8280-548,  
14 refers to the "powers" and "authority" of the  
15 district. The revised law omits the reference to  
16 "authority" because "authority" is included in the  
17 meaning of "powers."

18 (2) Section 5, V.A.C.S. Article 8280-548,  
19 grants the district certain powers, "including without  
20 limitation those [powers] conferred by Chapter 54,  
21 Title 4, Water Code." The revised law omits "without  
22 limitation" as unnecessary because Section  
23 311.005(13), Government Code (Code Construction Act),  
24 and Section 312.011(19), Government Code, provide that  
25 "includes" and "including" are terms of enlargement  
26 and not limitation and do not create a presumption that  
27 components not expressed are excluded. The revised  
28 law adds a reference to Chapter 49, Water Code,  
29 because, by Chapter 715, Acts of the 74th Legislature,  
30 Regular Session, 1995, the legislature placed many of  
31 the provisions formerly of Chapter 54, Water Code,  
32 into Chapter 49 of that code. Chapter 49 applies to  
33 the revised law on its own terms.

34 (3) Section 5, V.A.C.S. Article 8280-548,  
35 provides that certain laws are adopted and  
36 incorporated by reference. The revised law omits that  
37 provision as unnecessary because this chapter states  
38 which laws apply to this chapter. It is not necessary

1 to repeat that authority here by adopting and  
2 incorporating by reference. In addition, this chapter  
3 states that if a conflict exists, this chapter  
4 prevails. The omitted law reads:

5           Sec. 5. . . . All such general laws  
6 applicable to municipal utility districts  
7 not in conflict or inconsistent with the  
8 provisions of this Act are hereby adopted  
9 and incorporated by reference with the same  
10 effect as if copied in full in this Act.

11                                   Revisor's Note  
12                                   (End of Chapter)

13           Section 8, V.A.C.S. Article 8280-548, provides  
14 that the act is severable. The revised law omits that  
15 provision because it duplicates Section 311.032,  
16 Government Code (Code Construction Act), applicable to  
17 the revised law, and Section 312.013, Government Code,  
18 which provide that a provision of a statute is  
19 severable from each other provision of the statute  
20 that can be given effect. The omitted law reads:

21           Sec. 8. If any word, phrase, clause,  
22 paragraph, sentence, part, portion or  
23 provision of this Act or the application  
24 thereof to any person or circumstance shall  
25 be held to be invalid or unconstitutional,  
26 the remainder of the Act shall nevertheless  
27 be valid and the Legislature hereby  
28 declares that this Act would have been  
29 enacted without such invalid or  
30 unconstitutional word, phrase, clause,  
31 paragraph, sentence, part, portion or  
32 provision.

33           [Chapters 8103-8500 reserved for expansion]

34                                   SUBTITLE G. RIVER AUTHORITIES

35                                   CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

36                                   SUBCHAPTER A. GENERAL PROVISIONS

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42           [Sections 8501.006-8501.050 reserved for expansion]

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3 Sec. 8501.052. TERRITORY . . . . . 714

4 [Sections 8501.053-8501.100 reserved for expansion]

5 SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

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CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Revised Law

Sec. 8501.001. DEFINITIONS. In this chapter:

(1) "Authority" means the Angelina and Neches River Authority.

(2) "Board" means the board of directors of the authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part); New.)

Source Law

Sec. 1. . . . In this Act, "district" means the Angelina and Neches River Authority.

Revisor's Note

The definition of "board" is added to the revised law for drafting convenience and to eliminate frequent, unnecessary repetition of the substance of the definition.

1 Revised Law

2 Sec. 8501.002. WATER RIGHTS NOT AFFECTED. This chapter  
3 does not affect any existing rights, or existing priorities in the  
4 rights, to water from the source of supply. The formation of the  
5 authority or a contract for the purchase of water with the authority  
6 is not an abandonment or waiver of those rights or priorities and is  
7 not an abandonment of the original point of diversion from the  
8 source of supply. All those rights existing at the time of the  
9 formation of the authority are preserved. (Acts 44th Leg., R.S.,  
10 G.L., Ch. 97, Sec. 31.)

11 Source Law

12 Sec. 31. Nothing in this Act shall be construed  
13 as affecting any existing rights, or existing  
14 priorities in the rights, to water from the source of  
15 supply, and neither the formation of the district  
16 hereunder, nor a contract for the purchase of water  
17 with such district, shall ever be held to be an  
18 abandonment or waiver of said rights or priorities, or  
19 an abandonment of the original point of diversion from  
20 the source of supply, but all such rights existing at  
21 the time of the formation of such district, shall be  
22 preserved.

23 Revised Law

24 Sec. 8501.003. REGULAR OFFICE OF AUTHORITY. A regular  
25 office shall be established and maintained for conducting authority  
26 business within the authority's territory. (Acts 44th Leg., R.S.,  
27 G.L., Ch. 97, Sec. 9 (part).)

28 Source Law

29 Sec. 9. . . . A regular office shall be  
30 established and maintained for conduct of the district  
31 business within the district.

32 Revised Law

33 Sec. 8501.004. RECORDS. (a) The secretary-treasurer of  
34 the board shall keep a record of all proceedings and all orders of  
35 the board.

36 (b) The records of the authority are subject to public  
37 inspection. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 7 (part), 9  
38 (part).)

39 Source Law

40 Sec. 7. . . . The Secretary-Treasurer . . .

1 shall be charged with the duty of keeping a record of  
2 all proceedings and all orders of the Board, . . . .

3 Sec. 9. . . . The same shall be the property of  
4 the district and subject to public inspection. . . .

5 Revisor's Note

6 Section 9, Chapter 97, General Laws, Acts of the  
7 44th Legislature, Regular Session, 1935, requires that  
8 the board of directors keep a full account of its  
9 meetings and proceedings and maintain its records in a  
10 secure manner and provides that the records are the  
11 property of the authority. The revised law omits those  
12 provisions as unnecessary because they duplicate, in  
13 substance, part of Section 49.065, Water Code, which  
14 is a general law that applies to the authority under  
15 Sections 49.001(a) and 49.002, Water Code. The  
16 omitted law reads:

17 Sec. 9. The directors shall keep a  
18 true and full account of all their meetings  
19 and proceedings, and maintain their records  
20 in a secure manner. . . .

21 Revised Law

22 Sec. 8501.005. LIBERAL CONSTRUCTION. This chapter shall be  
23 liberally construed to effectuate its purposes. (Acts 44th Leg.,  
24 R.S., G.L., Ch. 97, Sec. 16 (part).)

25 Source Law

26 Sec. 16. . . . and this Act, in all of its terms  
27 and provisions shall be liberally construed to  
28 effectuate each and all of the purposes thereof.

29 Revisor's Note  
30 (End of Subchapter)

31 Section 14(p), Chapter 97, General Laws, Acts of  
32 the 44th Legislature, Regular Session, 1935, provides  
33 that the district may sue and be sued. The revised law  
34 omits that provision as unnecessary because it  
35 duplicates, in substance, part of Section 49.066,  
36 Water Code, which is a general law that applies to the  
37 authority under Sections 49.001(a) and 49.002, Water  
38 Code. The omitted law reads:

1 (p) Such district shall have the  
2 right to sue and to be sued.

3 [Sections 8501.006-8501.050 reserved for expansion]

4 SUBCHAPTER B. NATURE AND TERRITORY

5 Revised Law

6 Sec. 8501.051. CREATION AND NATURE OF AUTHORITY. The  
7 Angelina and Neches River Authority is created as a conservation  
8 and reclamation district. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
9 1 (part).)

10 Source Law

11 Sec. 1. There shall be and is hereby created a  
12 conservation and reclamation district by the name of  
13 Angelina and Neches River Authority, which district is  
14 created as a governmental agency, body politic and  
15 corporate, . . . .

16 Revisor's Note

17 Section 1, Chapter 97, General Laws, Acts of the  
18 44th Legislature, Regular Session, 1935, provides that  
19 the Angelina and Neches River Authority is "a  
20 conservation and reclamation district . . . created as  
21 a governmental agency, body politic and corporate."  
22 Throughout this chapter, the revised law omits the  
23 references to "governmental agency" and "body politic  
24 and corporate" because they are substantively  
25 identical to provisions of Section 59(b), Article XVI,  
26 Texas Constitution. The policy of the legislative  
27 council's statutory revision program, which is  
28 followed throughout this chapter, is to omit from the  
29 revised codes the duplicating statutory provisions  
30 because a statute that tracks the language of the  
31 constitution is not only superfluous but may foster  
32 the erroneous belief that a constitutional requirement  
33 is merely statutory and subject to amendment through  
34 the ordinary legislative process.

35 Revised Law

36 Sec. 8501.052. TERRITORY. (a) The authority is composed of  
37 the territory described by Section 3, Chapter 97, General Laws,

1 Acts of the 44th Legislature, Regular Session, 1935, as amended by  
2 the relevant part of Section 1, Chapter 394, Acts of the 65th  
3 Legislature, Regular Session, 1977.

4 (b) The authority's territory also may have been modified  
5 under other law. (New.)

6 Revisor's Note

7 The revision of the law governing the Angelina  
8 and Neches River Authority does not revise the  
9 statutory language describing the territory of the  
10 authority to avoid the lengthy recitation of the  
11 description and because that description may not be  
12 accurate at the time of the revision or of a later  
13 reading. For the reader's convenience, the revised law  
14 includes references to the statutory descriptions of  
15 the authority's territory and recognizes that the  
16 authority's territory may have been changed under  
17 other law.

18 [Sections 8501.053-8501.100 reserved for expansion]

19 SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

20 Revised Law

21 Sec. 8501.101. MEMBERSHIP OF BOARD. (a) The board consists  
22 of nine directors appointed by the governor with the advice and  
23 consent of the senate.

24 (b) Each director must be a freehold property taxpayer and a  
25 qualified voter of the state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
26 Sec. 4 (part).)

27 Source Law

28 Sec. 4. . . . consisting of nine (9) members,  
29 all of whom shall be freehold property taxpayers and  
30 legal voters of the State of Texas. Such Board of  
31 Directors shall be appointed by the Governor of Texas  
32 as soon as practicable after the passage of this Act,  
33 and confirmed by the Senate; . . . .

34 Revisor's Note

35 (1) Section 4, Chapter 97, General Laws, Acts of  
36 the 44th Legislature, Regular Session, 1935, provides

1 that the members of the board of directors must be  
2 "legal voters." The revised law substitutes  
3 "qualified voter" for "legal voter" because the terms,  
4 in this context, are synonymous and the former is more  
5 commonly used.

6 (2) Section 4, Chapter 97, General Laws, Acts of  
7 the 44th Legislature, Regular Session, 1935, provides  
8 that the directors appointed by the governor must be  
9 "confirmed by the Senate." The revised law  
10 substitutes the requirement that the directors be  
11 appointed "with the advice and consent of the senate"  
12 for the requirement that the directors be "confirmed  
13 by the Senate" because the phrases are synonymous and  
14 the former is more commonly used.

#### 15 Revised Law

16 Sec. 8501.102. TERMS. Directors are appointed for  
17 staggered terms of six years with one-third of the directors' terms  
18 expiring every two years. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
19 4 (part).)

#### 20 Source Law

21 Sec. 4. . . . one-third of the members to be  
22 appointed for a term of two (2) years, one-third of the  
23 members thereof to be appointed for a term of four (4)  
24 years and the remaining members thereof to be  
25 appointed for a term of six (6) years, and upon the  
26 expiration of the respective terms of said directors,  
27 the successors of each and all of them shall be  
28 appointed thereafter for a term of six (6) years. . . .

#### 29 Revisor's Note

30 (1) Section 4, Chapter 97, General Laws, Acts of  
31 the 44th Legislature, Regular Session, 1935, provides  
32 that one-third of the directors of the authority are  
33 appointed for a term of two years, one-third for a term  
34 of four years, and one-third for a term of six years.  
35 The revised law omits as unnecessary the references to  
36 those two-year, four-year, and six-year terms because  
37 those references are transition provisions that

1 applied only to the initial directors. Those  
2 references, however, resulted in a plan for staggering  
3 the terms of the directors so that one-third of the  
4 directors' terms expire every two years. The revised  
5 law is drafted accordingly.

6 (2) Section 4, Chapter 97, General Laws, Acts of  
7 the 44th Legislature, Regular Session, 1935, requires  
8 the directors of the authority to continue to hold  
9 their offices until their successors are appointed and  
10 have qualified. The revised law omits that provision  
11 as unnecessary because Section 17, Article XVI, Texas  
12 Constitution, requires each officer in the state to  
13 continue to perform the officer's duties until a  
14 successor has qualified. The omitted law reads:

15 Sec. 4. . . . The directors shall  
16 hold office after their appointment and  
17 qualification until their successors shall  
18 be appointed and qualified. . . .

19 Revised Law

20 Sec. 8501.103. VACANCY. (a) A vacancy on the board shall  
21 be filled by appointment by the governor with the advice and consent  
22 of the senate.

23 (b) A person appointed to a vacant position serves for the  
24 unexpired part of the term. (Acts 44th Leg., R.S., G.L., Ch. 97,  
25 Sec. 4 (part).)

26 Source Law

27 Sec. 4. . . . Should any vacancy occur in the  
28 Board of Directors, the same shall be filled in like  
29 manner by the Governor of Texas for the unexpired  
30 term. . . .

31 Revisor's Note

32 Section 4, Chapter 97, General Laws, Acts of the  
33 44th Legislature, Regular Session, 1935, states that a  
34 vacancy on the board of directors shall be filled "in  
35 like manner" by the governor. The quoted language  
36 refers to making the appointment with the advice and  
37 consent of the senate, and the revised law is drafted

1 accordingly.

2 Revised Law

3 Sec. 8501.104. OATH AND BOND REQUIREMENT FOR DIRECTOR. (a)  
4 A director shall, within 15 days after the date of appointment,  
5 qualify by taking the constitutional oath of office and by filing a  
6 good and sufficient bond with the secretary of state.

7 (b) The bond is subject to approval by the secretary of  
8 state and must:

- 9 (1) be in the amount of \$1,000;  
10 (2) be payable to the authority; and  
11 (3) be conditioned on the faithful performance of the  
12 duties as a director. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 4  
13 (part).)

14 Source Law

15 Sec. 4. . . . The directors appointed shall,  
16 within fifteen (15) days after their appointment,  
17 qualify by taking the official oath and filing a good  
18 and sufficient bond with the Secretary of State; the  
19 official bond of each director to be in the sum of One  
20 Thousand Dollars (\$1,000), shall be payable to the  
21 district, shall be conditioned upon the faithful  
22 performance of their duties as such directors, and  
23 shall be subject to approval by the Secretary of State.

24 Revisor's Note

25 Section 4, Chapter 97, General Laws, Acts of the  
26 44th Legislature, Regular Session, 1935, requires a  
27 director to take the "official oath." The quoted  
28 language is a reference to the constitutional oath of  
29 office, which is prescribed by Section 1, Article XVI,  
30 Texas Constitution. The revised law substitutes  
31 "constitutional oath of office" for "official oath"  
32 for clarification.

33 Revised Law

34 Sec. 8501.105. COMPENSATION OF DIRECTORS. Unless the board  
35 by resolution increases the fee of office to an amount authorized by  
36 Section 49.060, Water Code, a director shall receive as a fee of  
37 office an amount not to exceed \$10 for each day of service necessary  
38 to discharge the director's duties, if the board votes to authorize

1 the service. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 8 (part).)

2 Source Law

3 Sec. 8. The directors shall receive as fees of  
4 office the sum of not to exceed Ten (\$10.00) Dollars  
5 per day for each day of service necessary to discharge  
6 their duties, provided such service is authorized by  
7 vote of the Board of Directors. . . .

8 Revisor's Note

9 (1) Section 8, Chapter 97, General Laws, Acts of  
10 the 44th Legislature, Regular Session, 1935, provides  
11 in part for a director's fee not to exceed \$10 for each  
12 day of a director's service. Section 49.060, Water  
13 Code, applicable under Sections 49.001(a) and 49.002,  
14 Water Code, and by its own terms to the authority,  
15 authorizes fees of office not to exceed \$100 for each  
16 day spent in the performance of board duties. Section  
17 49.060(e), however, provides that the amount of the  
18 fee set by Section 49.060 does not apply to a district  
19 if it would result in a fee increase unless the  
20 district's board by resolution adopts a higher fee.  
21 The revised law is drafted accordingly.

22 (2) Section 8, Chapter 97, General Laws, Acts of  
23 the 44th Legislature, Regular Session, 1935,  
24 prescribes a procedure a director must follow to  
25 receive payment for the director's days of service.  
26 The revised law omits that provision because it is  
27 superseded by a procedure prescribed by Section  
28 49.060, Water Code, enacted in 1995, which is a general  
29 law that applies to the authority under Sections  
30 49.001(a) and 49.002, Water Code, as well as under the  
31 terms of Section 49.060(e). The omitted law reads:

32 Sec. 8. . . . They shall file with  
33 the Secretary a verified statement showing  
34 the actual number of days of service each  
35 month on the last day of the month, or as  
36 soon thereafter as possible and before a  
37 warrant shall be issued therefor.

1 Revised Law

2 Sec. 8501.106. QUORUM RELATING TO CONSTRUCTION MATTERS.  
3 The concurrence of five directors is required for entering into a  
4 construction contract or for authorizing the issuance of a warrant  
5 to pay for a construction contract. (Acts 44th Leg., R.S., G.L.,  
6 Ch. 97, Sec. 5 (part).)

7 Source Law

8 Sec. 5. . . . except the letting of  
9 construction contracts and the authorization of  
10 issuance of warrants paying therefor, which shall  
11 require the concurrence of five (5) directors. . . .

12 Revisor's Note

13 (1) Section 5, Chapter 97, General Laws, Acts of  
14 the 44th Legislature, Regular Session, 1935, provides  
15 that five members of the board of directors, which is a  
16 majority of the full membership of the board,  
17 constitute a quorum. The revised law omits this  
18 provision as duplicative of general law. Section  
19 312.015, Government Code, applicable to civil  
20 statutes, and Section 311.013, Government Code (Code  
21 Construction Act), applicable to the revised law,  
22 provide that a majority of a board or commission  
23 constitutes a quorum. The omitted law reads:

24 Sec. 5. . . . five (5) directors shall  
25 constitute a quorum at any meeting, and  
26 . . . .

27 (2) Section 5, Chapter 97, General Laws, Acts of  
28 the 44th Legislature, Regular Session, 1935, provides  
29 that, when a quorum is present, a concurrence of a  
30 majority of those present is sufficient to take action  
31 on a matter. The revised law omits that provision as  
32 unnecessary because, under common law, the majority of  
33 the members of a body present at a meeting may act for  
34 the body if at least a quorum is present. The omitted  
35 law reads:

36 Sec. 5. . . . a concurrence of a  
37 majority of those present shall be

1 sufficient in all matters pertaining to the  
2 business of the district, . . . .

3 Revised Law

4 Sec. 8501.107. OFFICERS. (a) The board shall elect one of  
5 the directors as president of the board, one as vice president, and  
6 one as secretary-treasurer.

7 (b) The president is the chief executive officer of the  
8 authority.

9 (c) The vice president shall act as president if the  
10 president is absent or disabled.

11 (d) The secretary-treasurer shall act as a secretary of the  
12 board. The board shall select a secretary pro tem if the  
13 secretary-treasurer is absent or unable to act. (Acts 44th Leg.,  
14 R.S., G.L., Ch. 97, Secs. 5 (part), 7 (part).)

15 Source Law

16 Sec. 5. The directors of the district shall  
17 organize by electing one of their members President,  
18 one Vice-President, one Secretary-Treasurer, . . . .

19 Sec. 7. The President . . . shall be the chief  
20 executive officer of the district. The Vice-President  
21 shall act as President in case of the absence or  
22 disability of the President. The Secretary-Treasurer  
23 shall act as a Secretary of the Board and . . . . In  
24 case of the absence or inability of the  
25 Secretary-Treasurer to act, a secretary pro tem shall  
26 be selected by the directors. . . .

27 Revisor's Note

28 Section 5, Chapter 97, General Laws, Acts of the  
29 44th Legislature, Regular Session, 1935, requires the  
30 board of directors to "organize" by electing the  
31 officers of the board. The revised law omits that  
32 requirement because it was completed by the initial  
33 election of officers and is executed.

34 Revised Law

35 Sec. 8501.108. MEETINGS. (a) The president shall preside  
36 at all meetings of the board.

37 (b) The board shall set, by order entered in the minutes of  
38 its proceedings, a specified time for the regular meetings of the  
39 board. The board shall meet for a specific occasion if called by

1 order of the president, vice president, or a majority of the  
2 directors.

3 (c) The board shall hold its meetings at its office and  
4 principal place of business unless the board directs otherwise for  
5 a specific occasion. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7  
6 (part).)

7 Source Law

8 Sec. 7. The President shall preside at all  
9 meetings of the Board, and . . . . The Board shall  
10 hold its meetings at its office and principal place of  
11 business, unless it directs otherwise for specific  
12 occasions, and it shall meet then when called by order  
13 of the President, Vice-President or a majority of its  
14 members; provided however, that the Board shall fix,  
15 by order entered in the minutes of its proceedings, a  
16 specified time for its regular meetings.

17 Revised Law

18 Sec. 8501.109. EMPLOYMENT PREFERENCE. (a) The authority  
19 and each contractor who employs labor for the construction of an  
20 improvement for the authority shall give a preference to the  
21 employment of:

22 (1) persons who are on relief rolls or otherwise  
23 unemployed and who are able to efficiently provide the proper  
24 service in the various classifications of labor under which they  
25 are to be employed; and

26 (2) if there are not sufficient persons who are  
27 qualified under Subdivision (1), qualified workers who reside in  
28 the locality where the improvement is to be constructed.

29 (b) The persons to whom the preference applies include  
30 persons required for office or clerical work but do not include the  
31 key workers of the authority or contractor.

32 (c) Each contract expressly entered into under this chapter  
33 by the authority with a contractor must expressly impose on the  
34 contractor the duty to give the preference provided by this  
35 section.

36 (d) To the extent this section conflicts with the  
37 requirements of a federal agency providing funds for the authority,  
38 the requirements of the federal agency control. (Acts 44th Leg.,

1 R.S., G.L., Ch. 97, Sec. 32.)

2 Source Law

3 Sec. 32. That said district, or the contractor  
4 who employs the labor for the construction of any  
5 improvements for said district, shall be required to  
6 give preference to persons who are on relief rolls, or  
7 otherwise unemployed, including those required for  
8 office or clerical work, but excepting the key workers  
9 of such district or such contractor, provided, such  
10 persons on relief or unemployed, are capable of  
11 efficiently rendering the proper service in the  
12 various classifications of labor under which they are  
13 employed, and in the event there are not sufficient  
14 persons with the proper qualifications as aforesaid,  
15 then the district or the contractor shall give  
16 preference to employment of qualified workers who  
17 reside in the locality where such improvements are to  
18 be constructed; and every contract expressly entered  
19 into by the district hereunder, shall impose upon the  
20 contractor the obligation to give preference in  
21 employment to such needy persons upon relief rolls or  
22 otherwise as provided herein, and shall expressly  
23 impose upon such contractor the obligations provided  
24 for in this section; provided nothing in this section  
25 contained shall conflict with the requirements of any  
26 Federal Agency providing any funds for such district.

27 Revised Law

28 Sec. 8501.110. REMOVAL OF EMPLOYEE. An employee of the  
29 authority may be removed by the board. (Acts 44th Leg., R.S., G.L.,  
30 Ch. 97, Sec. 11 (part).)

31 Source Law

32 Sec. 11. . . . all employees may be removed by  
33 the Board.

34 Revised Law

35 Sec. 8501.111. COMPENSATION OF EMPLOYEES. The board shall  
36 set the reasonable compensation to be paid to the general manager  
37 and other employees of the authority. (Acts 44th Leg., R.S., G.L.,  
38 Ch. 97, Secs. 11 (part), 14(n) (part).)

39 Source Law

40 Sec. 11. . . . Compensation to be paid such  
41 Managing Director and all employees shall be fixed by  
42 the Board of Directors and . . . .

43 [Sec. 14]  
44 (n) Such district through its Board of  
45 Directors, shall have the right . . . to pay  
46 reasonable compensation fixed by the Board of  
47 Directors for such services.

48 Revisor's Note

49 Section 11, Chapter 97, General Laws, Acts of the

1 44th Legislature, Regular Session, 1935, refers to the  
2 compensation of the "managing director." Section  
3 49.056, Water Code, refers to that person as the  
4 "general manager." The revised law substitutes  
5 "general manager" for "managing director" to conform  
6 to the terminology used by Section 49.056, Water Code,  
7 which is a general law that applies to the authority  
8 under Sections 49.001(a) and 49.002, Water Code.

9 Revised Law

10 Sec. 8501.112. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY  
11 BOND. A bond required to be given by a director, officer, or  
12 employee of the authority must be executed by a surety company  
13 authorized to do business in this state, as surety on the bond.  
14 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 12.)

15 Source Law

16 Sec. 12. All bonds required to be given by  
17 directors, officers and employees of the district,  
18 shall be executed by a surety company authorized to do  
19 business in the State, as surety thereon; . . . .

20 Revisor's Note

21 Section 12, Chapter 97, General Laws, Acts of the  
22 44th Legislature, Regular Session, 1935, authorizes  
23 the authority to pay the premiums on certain surety  
24 bonds. The revised law omits that provision as  
25 unnecessary because it duplicates, in substance, part  
26 of Section 49.057, Water Code, which is a general law  
27 that applies to the authority under Sections 49.001(a)  
28 and 49.002, Water Code. The omitted law reads:

29 Sec. 12. . . . and the district  
30 shall be authorized to pay the premiums on  
31 such bonds.

32 Revised Law

33 Sec. 8501.113. CONFLICT OF INTEREST; CRIMINAL PENALTY. (a)  
34 A director or an engineer or employee of the authority may not be  
35 directly or indirectly interested, personally or as an agent for  
36 another person, in a contract for the purchase or construction of

1 any work by the authority.

2 (b) A person commits an offense if the person violates this  
3 section. An offense under this subsection is a misdemeanor  
4 punishable by a fine not to exceed \$1,000, by confinement in the  
5 county jail for not less than six months or more than one year, or by  
6 both the fine and confinement. (Acts 44th Leg., R.S., G.L., Ch. 97,  
7 Sec. 13.)

8 Source Law

9 Sec. 13. No director of any such district,  
10 engineer or employee thereof, shall be directly or  
11 indirectly, interested either for themselves or as  
12 agents, for any one else in any contract for the  
13 purchase or construction of any work by said district,  
14 and if any such person shall, directly or indirectly,  
15 become interested in any such contract, he shall be  
16 guilty of a misdemeanor, and on conviction thereof  
17 shall be punished by a fine in any sum not to exceed One  
18 Thousand (\$1,000.00) Dollars, or by confinement in the  
19 county jail not less than six months, nor more than one  
20 year, or by both fine and imprisonment.

21 Revisor's Note  
22 (End of Subchapter)

23 (1) Section 4, Chapter 97, General Laws, Acts of  
24 the 44th Legislature, Regular Session, 1935, provides  
25 that the management and control of the authority is  
26 vested in the board of directors. The revised law omits  
27 that provision as unnecessary because it duplicates,  
28 in substance, parts of Sections 49.051 and 49.057,  
29 Water Code, which are general laws that apply to the  
30 authority under Sections 49.001(a) and 49.002, Water  
31 Code. The omitted law reads:

32 Sec. 4. The management and control of  
33 all the affairs of such district shall be  
34 vested in the Board of Directors, . . . .

35 (2) Section 11, Chapter 97, General Laws, Acts  
36 of the 44th Legislature, Regular Session, 1935,  
37 authorizes the board of directors to employ a managing  
38 director and to delegate authority to that person.  
39 Section 14(n), Chapter 97, General Laws, Acts of the  
40 44th Legislature, Regular Session, 1935, authorizes  
41 the board of directors to employ other necessary

1 staff. The revised law omits those provisions as  
2 unnecessary because they duplicate, in substance,  
3 parts of Sections 49.056 and 49.057, Water Code, which  
4 are general laws that apply to the authority under  
5 Sections 49.001(a) and 49.002, Water Code. The  
6 omitted law reads:

7           Sec. 11. The directors may employ a  
8           Managing Director for the district, and may  
9           give him full authority in the management  
10          and operation of the district affairs  
11          (subject only to the orders of the Board of  
12          Directors). . . .

13           [Sec. 14]

14           (n) [Such district through its Board  
15           of Directors, shall have the right] to  
16           employ managers, engineers, attorneys, and  
17           all necessary employees to properly  
18           construct, operate and maintain said works  
19           and carry out the provisions of this Act,  
20           and . . . .

21           [Sections 8501.114-8501.150 reserved for expansion]

22                           SUBCHAPTER D. POWERS AND DUTIES

23   Revised Law

24           Sec. 8501.151. POWERS UNDER CONSTITUTION AND OTHER LAW.

25           The authority has the powers of a conservation and reclamation  
26           district under the constitution and other laws of this state,  
27           including the powers:

28                   (1) expressly authorized in Section 59, Article XVI,  
29           Texas Constitution, for a district created to conserve, store,  
30           control, preserve, use, and distribute the storm water and  
31           floodwater and the water of the rivers and streams of the state;

32                   (2) implied by the purposes of that section of the  
33           constitution; and

34                   (3) given by general law. (Acts 44th Leg., R.S., G.L.,  
35           Ch. 97, Sec. 1 (part).)

36   Source Law

37           Sec. 1. . . . [district is] . . . vested with  
38           all the authority as such under the Constitution and  
39           Laws of the State; and which shall have and be  
40           recognized to exercise all of the powers of such  
41           governmental agency and body politic and corporate as  
42           are expressly authorized in the provisions of the  
43           Constitution, Section 59 of Article 16, for districts

1 created to conserve, store, control, preserve, utilize  
2 and distribute the storm and flood waters and the  
3 waters of the rivers and streams of the State, and such  
4 powers as may be contemplated and implied by the  
5 purposes of this provision of the Constitution, and as  
6 may be conferred by General Law, as well as by the  
7 provisions of this Act. . . .

8 Revisor's Note

9 (1) Section 1, Chapter 97, General Laws, Acts of  
10 the 44th Legislature, Regular Session, 1935, refers to  
11 powers that are "contemplated and implied" by the  
12 purposes of Section 59, Article XVI, Texas  
13 Constitution. The revised law omits "contemplated"  
14 because the meaning of the term is included in the  
15 meaning of "implied."

16 (2) Section 1, Chapter 97, General Laws, Acts of  
17 the 44th Legislature, Regular Session, 1935, also  
18 states that the authority has the "powers . . .  
19 conferred . . . by the provisions of this Act." The  
20 revised law omits the quoted language because those  
21 powers to which it refers are expressly provided by  
22 other sections of this chapter of the revised law and a  
23 general reference to them is unnecessary.

24 (3) Section 16, Chapter 97, General Laws, Acts  
25 of the 44th Legislature, Regular Session, 1935,  
26 broadly authorizes the authority to accomplish the  
27 purposes for which the authority was created. The  
28 revised law omits that provision as unnecessary  
29 because it duplicates, in substance, part of Section  
30 49.211, Water Code, which is a general law that applies  
31 to the authority under Sections 49.001(a) and 49.002,  
32 Water Code. The omitted law reads:

33 Sec. 16. Said district shall have and  
34 may exercise such functions, powers,  
35 authority, rights and duties as may permit  
36 the accomplishment of the purposes for  
37 which it is created, . . . .

38 Revised Law

39 Sec. 8501.152. APPLICABILITY OF WATER CODE. The rights,

1 powers, privileges, and functions granted to the authority, and the  
2 authority itself, are expressly subject to Chapters 11, 12, 26, and  
3 49, Water Code, as applicable. (Acts 44th Leg., R.S., G.L., Ch. 97,  
4 Sec. 1 (part).)

5 Source Law

6 Sec. 1. . . . The rights, powers, privileges,  
7 authority, and functions granted to the district and  
8 the district itself are expressly subject to Chapters  
9 5, 6, 21, and 50, Water Code, as amended, to the extent  
10 these laws are presently applicable.

11 Revisor's Note

12 (1) Section 1, Chapter 97, General Laws, Acts of  
13 the 44th Legislature, Regular Session, 1935, refers to  
14 the "powers" and "authority" of the authority. The  
15 revised law omits "authority" because the meaning of  
16 the term is included in the meaning of "powers."

17 (2) Section 1, Chapter 97, General Laws, Acts of  
18 the 44th Legislature, Regular Session, 1935, refers to  
19 "Chapters 5, 6, 21, and 50, Water Code, as amended, to  
20 the extent these laws are presently applicable." The  
21 quoted language was added to Section 1 of Chapter 97 by  
22 an amendment enacted by Section 1, Chapter 394, Acts of  
23 the 65th Legislature, Regular Session, 1977. The  
24 chapters to which the quoted language refers are  
25 chapters of the Water Code as that code existed in 1977  
26 before a large part of that code was revised in that  
27 same year by Chapter 870, Acts of the 65th Legislature,  
28 Regular Session, 1977.

29 The 1977 revision of the Water Code reorganized  
30 many code chapters. Under the reorganization, the  
31 relevant provisions of Chapters 5, 6, and 21, Water  
32 Code, were reenacted in Chapters 11, 12, and 26 of that  
33 code. The revised law is drafted accordingly.

34 The 1977 revision of the Water Code did not affect  
35 Chapter 50, Water Code. However, Chapter 50 was later  
36 repealed by Chapter 715, Acts of the 74th Legislature,

1 Regular Session, 1995, and the relevant provisions  
2 were replaced by provisions in Chapter 49, Water Code.  
3 The revised law is drafted accordingly.

4 Also, the language used in Chapters 11, 12, 26,  
5 and 49, Water Code, makes it clear that the application  
6 of those chapters to the authority is ongoing.  
7 Therefore, the reference "to the extent these laws are  
8 presently applicable" does not act as a limitation on  
9 the application of those chapters to the authority.  
10 For this reason, the revised law omits "presently."

#### 11 Revised Law

12 Sec. 8501.153. STATE SUPERVISION AND APPROVAL. (a) The  
13 Texas Commission on Environmental Quality shall consider the  
14 adequacy of, and decide whether to approve, any flood control or  
15 conservation improvement plan that:

16 (1) is devised by the authority to achieve a plan or  
17 purpose for which the authority is created; and

18 (2) contemplates improvements that are to be  
19 supervised by the commission under general law.

20 (b) Before the authority establishes a diversion point or  
21 constructs a canal, pumping plant, or other work under this  
22 chapter, the authority must:

23 (1) present the plans and specifications for the  
24 project to the Texas Commission on Environmental Quality; and

25 (2) obtain the approval of the commission. (Acts 44th  
26 Leg., R.S., G.L., Ch. 97, Secs. 14(q), 15 (part).)

#### 27 Source Law

28 [Sec. 14]

29 (q) Before such district shall establish a  
30 diversion point, construct the canals, pumping plants  
31 and other works herein provided for, it shall present  
32 to the Board of Water Engineers of the State of Texas,  
33 or such other agency performing the functions now  
34 performed by the Board of Water Engineers, plans and  
35 specifications of the same and obtain approval of such  
36 Board.

37 Sec. 15. . . . the State Board of Water  
38 Engineers, and in appropriate instances, by the State  
39 Reclamation Engineer, each of which agencies shall be  
40 charged with the authority and duty to approve, or to

1 refuse to approve, the adequacy of any plan or plans  
2 for flood control or conservation improvement purposes  
3 devised by the district for the achievement of the  
4 plans and purposes intended in the creation of the  
5 district, and which plans contemplate improvements  
6 supervised by the respective State authorities under  
7 the provisions of the General Law.

8 Revisor's Note

9 (1) Sections 14(q) and 15, Chapter 97, General  
10 Laws, Acts of the 44th Legislature, Regular Session,  
11 1935, refer to the Board of Water Engineers of the  
12 State of Texas. Section 15 of that chapter also refers  
13 to the State Reclamation Engineer. The Texas  
14 Commission on Environmental Quality has succeeded to  
15 the relevant functions of the Board of Water Engineers  
16 and the State Reclamation Engineer, and the revised  
17 law is drafted accordingly.

18 (2) Section 15, Chapter 97, General Laws, Acts  
19 of the 44th Legislature, Regular Session, 1935,  
20 provides that the powers and duties of the authority  
21 are subject to the supervision of the state, acting  
22 through the State Board of Water Engineers and the  
23 State Reclamation Engineer. The revised law omits the  
24 provision as unnecessary because, as explained by  
25 Revisor's Note (1) under this section, the Texas  
26 Commission on Environmental Quality is the successor  
27 to the board of water engineers and the reclamation  
28 engineer and, therefore, the provision duplicates, in  
29 substance, part of Section 12.081, Water Code, which  
30 is a general law that applies to the authority. The  
31 omitted law reads:

32 Sec. 15. The powers and duties herein  
33 devolved upon the said district shall be  
34 subject to the continuing rights of  
35 supervision by the State, which shall be  
36 exercised through [the State Board of Water  
37 Engineers and in appropriate instances, by  
38 the State Reclamation Engineer] . . . .

39 Revised Law

40 Sec. 8501.154. GENERAL POWERS RELATING TO WATER. (a) The

1 authority has the rights and powers of an independent conservation  
2 and reclamation district to construct, maintain, and operate in the  
3 valleys of the Neches River and its tributaries, inside or outside  
4 the authority, any work considered essential:

5 (1) to the operation of the authority; and

6 (2) for the authority's administration in the control,  
7 storage, preservation, and distribution to all useful purposes of  
8 the water, including storm water and floodwater, of the Neches  
9 River and its tributaries.

10 (b) The authority has the same power of control and  
11 regulation over the waters of the Neches River and its tributaries  
12 that the state has, subject to the constitution and statutes of this  
13 state. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

14 Source Law

15 Sec. 1. . . . The district shall have and be  
16 recognized to exercise all the rights and powers of an  
17 independent governmental agency, body politic and  
18 corporate, to construct, maintain and operate, in the  
19 valleys of the Neches River and its tributaries,  
20 within or without the boundaries of such district, any  
21 and all works deemed essential to the operation of the  
22 district and for its administration in the control,  
23 storing, preservation and distribution to all useful  
24 purposes of the waters of the Neches River and its  
25 tributary streams, including the storm and flood  
26 waters thereof; and such district shall have and be  
27 recognized to exercise such authority and power of  
28 control and regulation over such waters of the Neches  
29 River and its tributaries as may be exercised by the  
30 State of Texas, subject to the provisions of the  
31 Constitution and the Acts of the Legislature.

32 Revised Law

33 Sec. 8501.155. POWERS RELATING TO PARTICULAR PURPOSES. For  
34 the conservation and beneficial use of the water of the Neches River  
35 and its tributaries, including storm water and floodwater, the  
36 authority may control and use the water in the manner and for a  
37 particular purpose described by Section 8501.156, 8501.157,  
38 8501.158, 8501.159, 8501.160, or 8501.161. (Acts 44th Leg., R.S.,  
39 G.L., Ch. 97, Sec. 14 (part).)

40 Source Law

41 Sec. 14. The said district shall have and be  
42 recognized to exercise, in addition to all the  
43 hereinbefore mentioned powers, for the conservation

1 and beneficial utilization of said waters, the power  
2 of control and employment of such waters of the Sabine  
3 and Neches Rivers and their tributaries, including the  
4 storm and flood waters thereof, in the manner and for  
5 the particular purposes hereinafter set  
6 forth: . . . .

7 Revisor's Note

8 (1) Section 14, Chapter 97, General Laws, Acts  
9 of the 44th Legislature, Regular Session, 1935, gives  
10 the authority certain powers that are "in addition to  
11 all the hereinbefore mentioned powers." The revised  
12 law omits the quoted language because the powers to  
13 which it refers are expressly set forth in other  
14 sections of this chapter of the revised law and a  
15 general reference to them is unnecessary.

16 (2) Section 14, Chapter 97, General Laws, Acts  
17 of the 44th Legislature, Regular Session, 1935, refers  
18 to certain powers of the authority relating to the  
19 "Sabine and Neches Rivers" and their tributaries. The  
20 authority's powers relating to the Sabine River and its  
21 tributaries were removed when the Sabine River  
22 Authority was created by Chapter 110, Acts of the 51st  
23 Legislature, Regular Session, 1949. (See Sections 2  
24 and 29 of that law.) Furthermore, the removal of the  
25 authority's powers relating to the Sabine River and its  
26 tributaries was clarified by the amendment of the  
27 authority's boundaries by Section 1, Chapter 394, Acts  
28 of the 65th Legislature, Regular Session, 1977. The  
29 authority's powers relate only to the Neches River and  
30 its tributaries, and throughout this chapter the  
31 revised law is drafted accordingly.

32 (3) Section 14, Chapter 97, General Laws, Acts  
33 of the 44th Legislature, Regular Session, 1935,  
34 provides that certain powers of the authority are to be  
35 exercised in the manner and for the particular  
36 purposes "hereinafter set forth." The revised law  
37 omits the quoted language and substitutes references

1 to the other provisions in this chapter of the revised  
2 law that set out that manner and those purposes.

3 Revised Law

4 Sec. 8501.156. POWERS RELATING TO FLOODING. In acting  
5 under Section 8501.155, the authority may:

6 (1) prevent the devastation of land from recurrent  
7 overflows;

8 (2) protect life and property in the authority from  
9 uncontrolled floodwater; and

10 (3) encourage the conservation of soil to prevent  
11 destructive erosion and to prevent the increased flood menace  
12 related to that erosion. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs.  
13 14(c) (part), (g).)

14 Source Law

15 (c) . . . for the prevention of devastation of  
16 lands from recurrent overflows, and the protection of  
17 life and property in such district from uncontrolled  
18 flood waters.

19 (g) For the purpose of encouraging the  
20 conservation of all soils against destructive erosion  
21 and thereby preventing the increased flood menace  
22 incident thereto.

23 Revisor's Note

24 Sections 14(c) and (g), Chapter 97, General Laws,  
25 Acts of the 44th Legislature, Regular Session, 1935,  
26 give certain powers to the authority. Those powers are  
27 related to the authority's actions taken under Section  
28 8501.155 of this chapter. For this reason, the revised  
29 law adds a reference to Section 8501.155.

30 Revised Law

31 Sec. 8501.157. POWERS RELATING TO USE OF WATER IN GENERAL.  
32 In acting under Section 8501.155, the authority may:

33 (1) through practical means, provide for the control  
34 and coordination of the regulation of the water of the Neches River  
35 and its tributaries;

36 (2) by adequate organization and administration,  
37 provide for preserving the equitable rights of the people of

1 different sections of the watershed area in the beneficial use of  
2 the water of the Neches River and its tributaries;

3 (3) store, control, and conserve the water of the  
4 Neches River and its tributaries inside or outside the authority  
5 and prevent the escape of that water without the maximum of public  
6 service;

7 (4) equitably distribute the water of the Neches River  
8 and its tributaries to meet the regional potential requirements for  
9 all uses, including domestic, manufacturing, and irrigation uses;  
10 and

11 (5) use controlled and conserved floodwater and storm  
12 water for any purpose that results in the performance of a useful  
13 service authorized by the constitution of this state. (Acts 44th  
14 Leg., R.S., G.L., Ch. 97, Secs. 14(a), (b), (c) (part), (e) (part),  
15 (j).)

16 Source Law

17 (a) To provide through practical and legal means  
18 for the control and coordination of the regulation of  
19 the waters of the Sabine and Neches Rivers and their  
20 tributary streams.

21 (b) To provide by adequate organization and  
22 administration for the preservation of the equitable  
23 rights of the people of the different sections of the  
24 watershed area, in the beneficial use of the waters of  
25 the Sabine and Neches Rivers and their tributary  
26 streams.

27 (c) For storing, controlling and conserving the  
28 waters of the Sabine and Neches Rivers and their  
29 tributaries within and/or without such district, and  
30 the prevention of the escape of any of such waters  
31 without the maximum of public service; . . . .

32 (e) . . . and for the equitable distribution of  
33 said waters to the regional potential requirements for  
34 all uses, domestic, manufacturing and  
35 irrigation. . . .

36 (j) And for each and every purpose for which  
37 flood and storm waters when controlled and conserved  
38 may be utilized in the performance of a useful service  
39 as contemplated and authorized by the provisions of  
40 the Constitution and the public policy therein  
41 declared.

42 Revisor's Note

43 (1) The revised law adds a reference to Section  
44 8501.155 for the reason stated by the revisor's note  
45 under Section 8501.156.



1 of commercial and industrial enterprises in the entire watershed  
2 area of the authority; and

3 (3) control, store, and use the water of the Neches  
4 River and its tributaries in the development and distribution of  
5 hydroelectric power, if that use is economically coordinated with  
6 other superior uses and subordinated to the uses declared by law to  
7 be superior. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 14(d), (h),  
8 (i).)

9 Source Law

10 (d) For the conservation of the waters of the  
11 Sabine and Neches Rivers and their tributaries  
12 essential for the domestic uses of the people of the  
13 district, including all necessary water supplies for  
14 cities and towns.

15 (h) To control and make available for employment  
16 said waters in the development of commercial and  
17 industrial enterprises in all sections of the  
18 watershed area of the district.

19 (i) For the control, storing and employment of  
20 said waters in the development and distribution of  
21 hydroelectric power, where such use may be  
22 economically coordinated with other and superior uses,  
23 and subordinated to the uses declared by law to be  
24 superior.

25 Revisor's Note

26 The revised law adds a reference to Section  
27 8501.155 for the reason stated by the revisor's note  
28 under Section 8501.156.

29 Revised Law

30 Sec. 8501.159. POWERS RELATING TO USE OF WATER FOR  
31 IRRIGATION. In acting under Section 8501.155, the authority may  
32 provide for the irrigation of all land in the authority or land  
33 outside the authority but inside the authority's watershed area  
34 where the irrigation is required for agricultural purposes or is  
35 considered helpful to more profitable agricultural production.  
36 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(e) (part).)

37 Source Law

38 (e) For the irrigation of all lands in said  
39 district, and/or lands without said district but  
40 within said watershed area where irrigation is  
41 required for agricultural purposes, or may be deemed  
42 helpful to more profitable agricultural  
43 production; . . . .

1 Revisor's Note

2 The revised law adds a reference to Section  
3 8501.155 for the reason stated by the revisor's note  
4 under Section 8501.156.

5 Revised Law

6 Sec. 8501.160. POWERS RELATING TO DRAINAGE OF WATER. In  
7 acting under Section 8501.155, the authority may:

8 (1) provide for the better encouragement and  
9 development of drainage systems for, and provide for the drainage  
10 of, lands in the valleys of the Neches River and its tributaries as  
11 needed for profitable agricultural production; and

12 (2) provide for drainage for other land in the  
13 watershed area of the authority as required for the most  
14 advantageous use of the land. (Acts 44th Leg., R.S., G.L., Ch. 97,  
15 Sec. 14(f).)

16 Source Law

17 (f) For the better encouragement and  
18 development of drainage systems and provisions for  
19 drainage of lands in the valleys of the Sabine and  
20 Neches Rivers and their tributary streams needing  
21 drainage for profitable agricultural production; and  
22 drainage for other lands in the watershed area of the  
23 district requiring drainage for the most advantageous  
24 use.

25 Revisor's Note

26 The revised law adds a reference to Section  
27 8501.155 for the reason stated by the revisor's note  
28 under Section 8501.156.

29 Revised Law

30 Sec. 8501.161. POWERS RELATING TO ACQUISITION OR OPERATION  
31 OF WORKS, LAND, OR OTHER PROPERTY. (a) In acting under Section  
32 8501.155, the authority may:

33 (1) purchase or construct any work necessary or  
34 convenient for the exercise of the authority's powers under this  
35 chapter and to accomplish the purposes of this chapter; and

36 (2) purchase or otherwise acquire land or other  
37 property necessary or convenient for carrying out the purposes of

1 this chapter.

2 (b) The plans and works provided by the authority, and the  
3 works provided under the power of the authority, shall regard  
4 primarily the necessary and potential needs for water by or within  
5 the area in the authority constituting the watershed of the Neches  
6 River and its tributaries. (Acts 44th Leg., R.S., G.L., Ch. 97,  
7 Secs. 14(e) (part), (k).)

8 Source Law

9 (e) . . . All plans and all works provided by  
10 said district, and as well, all works which may be  
11 provided under authority of said district, shall have  
12 primary regard to the necessary and potential needs  
13 for water, by or within the area in such district  
14 constituting the watershed of the Sabine and Neches  
15 Rivers and their tributary streams.

16 (k) To purchase and/or construct all works  
17 necessary or convenient for the exercise of the  
18 powers, and to accomplish the purposes specified in  
19 this Act, and to purchase or otherwise acquire all  
20 lands and/or other property necessary or convenient  
21 for carrying out any such purposes.

22 Revisor's Note

23 The revised law adds a reference to Section  
24 8501.155 for the reason stated by the revisor's note  
25 under Section 8501.156.

26 Revised Law

27 Sec. 8501.162. ADDITIONAL POWERS RELATING TO ACQUISITION OR  
28 OPERATION OF PROPERTY. (a) In this section, "property" includes a  
29 right, including a water right, and includes land and a tenement,  
30 easement, improvement, reservoir, dam, canal, lateral, plant,  
31 work, and facility.

32 (b) The authority may investigate, plan, acquire,  
33 construct, maintain, or operate any property the authority  
34 considers necessary or proper for the accomplishment of the  
35 purposes of the authority.

36 (c) The power described by Subsection (b) includes the power  
37 to acquire property inside or outside the authority that is  
38 incidental or helpful to carrying out the authority's purposes  
39 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 16

1 (part).)

2 Source Law

3 Sec. 16. . . . including investigating and  
4 planning, acquiring, constructing, maintaining and  
5 operating of all necessary properties, lands, rights,  
6 tenements, easements, improvements, reservoirs, dams,  
7 canals, laterals, plants, works and facilities which  
8 it may deem necessary or proper for the accomplishment  
9 of said purposes, including the acquisition within  
10 and/or without said district of lands, rights-of-way,  
11 water rights and all other properties, tenements,  
12 easements and all other rights incident, helpful to or  
13 in aid of carrying out the purposes of said district as  
14 herein defined; . . . .

15 Revisor's Note

16 Section 16, Chapter 97, General Laws, Acts of the  
17 44th Legislature, Regular Session, 1935, gives the  
18 authority the power to investigate, plan, acquire,  
19 construct, maintain, and operate any property,  
20 including "rights" and "easements." Under Section 16  
21 of Chapter 97, that power also includes the power to  
22 acquire "rights-of-way." The revised law omits  
23 "rights-of-way" because the meaning of the term is  
24 included in the meaning of "rights" and "easements."

25 Revised Law

26 Sec. 8501.163. POWERS RELATING TO CONTRACT, LEASE,  
27 AGREEMENT, OR CONVEYANCE. (a) The authority may enter into a  
28 contract, lease, or other agreement necessary or convenient to  
29 carry out a power given to the authority by this chapter.

30 (b) The authority may enter into the contract, lease, or  
31 agreement with any person, including:

32 (1) an individual or artificial entity;

33 (2) a corporation, including a municipal corporation  
34 and a public or private corporation; and

35 (3) a government or governmental agency, including the  
36 United States and this state.

37 (c) The authority may:

38 (1) convey or cause to be conveyed any of its property  
39 to the United States; and



1 reason stated by Revisor's Note (1) under Section  
2 8501.155.

3 (2) Section 14(o), Chapter 97, General Laws,  
4 Acts of the 44th Legislature, Regular Session, 1935,  
5 refers to the "United States Government, or any agency  
6 thereof." The reference to "any agency thereof" is  
7 omitted from the revised law because under Section  
8 311.005(9), Government Code (Code Construction Act),  
9 "United States" includes an agency of the United  
10 States.

#### 11 Revised Law

12 Sec. 8501.164. RIGHT OF EMINENT DOMAIN. (a) The authority  
13 may exercise the power of eminent domain to acquire fee simple title  
14 to, or an easement over or through, any land, water, or land under  
15 water that is necessary or convenient for carrying out any purpose  
16 or power given to the authority by this chapter. The power applies  
17 to private or public property inside or outside the authority.

18 (b) A condemnation proceeding is under the direction of the  
19 board and must be in the name of the authority.

20 (c) The assessment of damages and all procedures related to  
21 condemnation, appeal, and payment must conform to Chapter 21,  
22 Property Code. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(1).)

#### 23 Source Law

24 (1) The right of eminent domain is expressly  
25 conferred upon such district to enable it to acquire  
26 the fee simple title to, and/or easement or  
27 right-of-way over and through, any and all lands,  
28 water or lands under water, private or public, within  
29 and without such district, necessary or convenient to  
30 carry out any of the purposes and powers conferred upon  
31 such district by this Act. All such condemnation  
32 proceedings shall be under the direction of the  
33 directors and in the name of the district, and the  
34 assessment of damages and all procedure with reference  
35 to condemnation, appeal and payment shall be in  
36 conformity with the statutes of this State as provided  
37 in the title of the Revised Statutes relating to  
38 "Eminent Domain".

#### 39 Revisor's Note

40 (1) Section 14(1), Chapter 97, General Laws,  
41 Acts of the 44th Legislature, Regular Session, 1935,

1 states that the "right of eminent domain is expressly  
2 conferred upon such district to enable it to acquire  
3 [certain property]." The revised law substitutes for  
4 the quoted language "[t]he authority may exercise the  
5 power of eminent domain to acquire [certain property]"  
6 because the phrases have the same meaning and the  
7 latter is consistent with modern usage in laws  
8 relating to eminent domain. Also, the revised law  
9 omits "expressly" as unnecessary because the revised  
10 law gives the authority the right to exercise the power  
11 of eminent domain by a clear and direct statement that  
12 is an express grant of that right.

13 (2) Section 14(1), Chapter 97, General Laws,  
14 Acts of the 44th Legislature, Regular Session, 1935,  
15 gives the authority the power of eminent domain to  
16 acquire "fee simple title . . . or easement or  
17 right-of-way" in connection with land, water, or land  
18 under water. The revised law omits "right-of-way"  
19 because the meaning of the term is included in the  
20 meaning of "easement."

21 (3) Section 14(1), Chapter 97, General Laws,  
22 Acts of the 44th Legislature, Regular Session, 1935,  
23 requires the authority's procedures for condemnation  
24 to conform to "the statutes of this State as provided  
25 in the title of the Revised Statutes relating to  
26 'Eminent Domain'." The title of the Revised Statutes  
27 to which the quoted language refers is Title 52. In  
28 1983, Title 52 of the Revised Statutes was codified as  
29 Chapter 21 of the Property Code. Therefore, the  
30 revised law substitutes a reference to Chapter 21,  
31 Property Code, for the quoted language.

32 Revised Law

33 Sec. 8501.165. COORDINATION AND JOINT UNDERTAKINGS AMONG  
34 DISTRICTS. (a) A drainage, conservation, reclamation, or other

1 district created by this state with powers provided in Section 59,  
2 Article XVI, Texas Constitution, may:

- 3 (1) coordinate its plans with the authority; and
- 4 (2) enter into joint undertakings with the authority  
5 for the purposes for which the entities are created.

6 (b) The acts taken under Subsection (a) must be approved by  
7 a majority of the boards of directors of all the districts involved.  
8 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 2.)

9 Source Law

10 Sec. 2. Any drainage, conservation, reclamation  
11 or other district heretofore created by the State of  
12 Texas with powers provided in Section 59 of Article 16  
13 of the Constitution, shall have the authority, power  
14 and right to coordinate its plans with the district  
15 herein created, and shall have full authority, power  
16 and right to enter into joint undertakings for the  
17 purposes for which the districts are created.  
18 Provided, however, that all such acts must be approved  
19 by a majority of the Boards of Directors of all  
20 districts involved.

21 Revisor's Note

22 Section 2, Chapter 97, General Laws, Acts of the  
23 44th Legislature, Regular Session, 1935, states that a  
24 district "shall have the authority, power and right"  
25 to coordinate its plans and "shall have full  
26 authority, power and right" to enter into certain  
27 joint undertakings. The revised law omits the quoted  
28 references and substitutes "may" because that term is  
29 more concise and is the substantive equivalent of the  
30 quoted references.

31 Revised Law

32 Sec. 8501.166. NO AUTHORITY FOR TAX OR SPECIAL ASSESSMENT.  
33 This chapter does not authorize the authority to impose a tax or  
34 special assessment or to create any debt payable from taxes. (Acts  
35 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

36 Source Law

37 Sec. 1. . . . Nothing herein contained shall  
38 authorize said district to levy any taxes or special  
39 assessments, or to create any debt payable out of  
40 taxation. . . .

1 [Sections 8501.167-8501.200 reserved for expansion]

2 SUBCHAPTER E. GENERAL FINANCIAL MATTERS

3 Revised Law

4 Sec. 8501.201. PROCEDURE FOR PAYMENT. A warrant for the  
5 payment of money by the authority may be drawn and signed by the  
6 president and the secretary-treasurer if the account under which  
7 the payment is to be made results from a contract made by the board  
8 and is ordered paid by the board. (Acts 44th Leg., R.S., G.L., Ch.  
9 97, Sec. 5 (part).)

10 Source Law

11 Sec. 5. . . . Warrants for the payment of  
12 money may be drawn and signed by the  
13 Secretary-Treasurer and President when such accounts  
14 have been contracted and ordered paid by the Board of  
15 Directors.

16 Revised Law

17 Sec. 8501.202. RECORDS RELATING TO MONEY. The  
18 secretary-treasurer shall:

19 (1) receive and give a receipt for all money received  
20 by the authority; and

21 (2) keep records of all money received and spent by the  
22 authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7 (part).)

23 Source Law

24 Sec. 7. . . . The Secretary-Treasurer . . .  
25 shall receive and receipt for all moneys received by  
26 the district and shall keep books and records of all  
27 moneys received and expended. . . .

28 Revisor's Note

29 Section 7, Chapter 97, General Laws, Acts of the  
30 44th Legislature, Regular Session, 1935, refers to the  
31 keeping of "books and records" of money. The revised  
32 law omits "books" because it is included within the  
33 meaning of "records." Furthermore, "books" has the  
34 connotation of a paper record, and since the authority  
35 is authorized to keep its records on microfilm or in  
36 electronic form as authorized by Section 201.004,  
37 Local Government Code, "records" is used to avoid that

1 connotation.

2 Revised Law

3 Sec. 8501.203. FILING OF AUDIT. In addition to copies of  
4 the annual audit of the authority that are filed as required by  
5 Section 49.194, Water Code, a copy shall be filed with the  
6 depository of the authority and the office of the auditor. (Acts  
7 44th Leg., R.S., G.L., Ch. 97, Sec. 10 (part).)

8 Source Law

9 Sec. 10. . . . such audit. . . . Said report  
10 shall be in quadruplicate, one copy being filed in the  
11 office of the district, one with the depository of the  
12 district, one in the office of the Auditor and one with  
13 the State Board of Water Engineers, . . . .

14 Revisor's Note

15 Section 10, Chapter 97, General Laws, Acts of the  
16 44th Legislature, Regular Session, 1935, requires the  
17 authority's annual audit to be filed with the following  
18 four entities: the authority itself, the depository  
19 of the authority, the auditor, and the State Board of  
20 Water Engineers, which has been succeeded by the Texas  
21 Commission on Environmental Quality as explained by  
22 Revisor's Note (1) under Section 8501.153. The revised  
23 law omits the references to the authority itself and to  
24 the board of water engineers or the board's successor,  
25 the Texas Commission on Environmental Quality, as  
26 unnecessary because they duplicate, in substance,  
27 parts of Section 49.194, Water Code, which is a general  
28 law that applies to the authority under Sections  
29 49.001(a) and 49.002, Water Code. The revised law adds  
30 a reference to Section 49.194, Water Code, to inform  
31 the reader of other relevant provisions regarding the  
32 filing of the annual audit.

33 Revised Law

34 Sec. 8501.204. FEES. (a) The board shall prescribe fees  
35 to be collected for:

- 36 (1) the use of water;

1 (2) a water connection; or

2 (3) another service.

3 (b) The board shall set the fees in amounts that are  
4 reasonable and equitable and sufficient to produce revenue adequate  
5 to pay the items described by Subsection (c). The fees may not  
6 exceed what may be reasonably necessary to fulfill the obligations  
7 imposed on the authority by this chapter.

8 (c) The board shall pay the following items from the fees:

9 (1) all expenses necessary to the operation and  
10 maintenance of the improvements and facilities of the authority,  
11 including:

12 (A) the cost of the acquisition of materials and  
13 other property necessary to maintain the improvements and  
14 facilities in good condition and to operate them efficiently;

15 (B) necessary wages and salaries of the  
16 authority; and

17 (C) other expenses reasonably necessary to the  
18 efficient operation of the improvements and facilities;

19 (2) the interest on any obligation issued under this  
20 chapter and payable from the revenue from the improvements and  
21 facilities; and

22 (3) the amount required to be paid annually into the  
23 sinking fund for the payment of an obligation issued under this  
24 chapter and payable from the revenue of the improvements and  
25 facilities. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
26 (part).)

27 Source Law

28 (m) The Board of Directors of said district  
29 shall prescribe fees and charges to be collected for  
30 the use of water, water connections or other service,  
31 which fees and charges shall be reasonable and  
32 equitable and fully sufficient to produce revenues  
33 adequate to pay, and said Board of Directors shall  
34 cause to be paid therefrom:

35 (1) All expenses necessary to the  
36 operation and maintenance of the improvements and  
37 facilities of said district. Such operating and  
38 maintenance expenses shall include the cost of the  
39 acquisition of properties and materials necessary to  
40 maintain said improvements and facilities in good

1 condition and to operate them efficiently, necessary  
2 wages and salaries of the district, and such other  
3 expenses as may be reasonably necessary to the  
4 efficient operation of said improvements and  
5 facilities.

6 (2) The annual or semi-annual interest  
7 upon any obligation issued hereunder payable out of  
8 the revenues of said improvements and facilities.

9 (3) The amount required to be paid  
10 annually into the sinking fund for the payment of any  
11 obligations issued hereunder, payable out of the  
12 revenues of said improvements and facilities.

13  
14 It is the intent of this Act, that the fees and  
15 charges of such district shall not be in excess of what  
16 may be reasonably necessary to fulfill the obligations  
17 imposed upon said district by this Act.

18 Revisor's Note

19 (1) Section 14(m), Chapter 97, General Laws,  
20 Acts of the 44th Legislature, Regular Session, 1935,  
21 requires the board of directors to impose "fees and  
22 charges." Throughout this chapter, the revised law  
23 omits "charges" because the meaning of the term is  
24 included in the meaning of "fees."

25 (2) Section 14(m)(2), Chapter 97, General Laws,  
26 Acts of the 44th Legislature, Regular Session, 1935,  
27 refers to the payment of "annual or semi-annual  
28 interest" on an obligation. The revised law omits  
29 "annual or semi-annual" as unnecessary because the  
30 language is superseded by the parts of Sections  
31 1201.005 and 1201.021, Government Code, that provide  
32 that a public security may be payable at the time and  
33 in the amounts specified by the governing body of the  
34 issuer. Those sections of the Government Code apply to  
35 obligations issued under Chapter 97, General Laws,  
36 Acts of the 44th Legislature, Regular Session, 1935,  
37 by application of Section 1201.002, Government Code.

38 Revised Law

39 Sec. 8501.205. LIMITATION ON USE OF REVENUE. (a) A charge  
40 on the revenue derived from the improvements and facilities of the  
41 authority may not be made if the principal or interest of any  
42 obligation issued under this chapter is unpaid.

1 (b) If the revenue derived from the improvements and  
2 facilities of the authority exceed the amount required for the  
3 payment of items under Section 8501.204(c), the board may pay the  
4 cost of improvements and replacements not covered by Section  
5 8501.204(c)(1) and may establish a reasonable depreciation and  
6 emergency fund. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
7 (part).)

8 Source Law

9 (m) . . . No other charge shall be made upon  
10 the revenues derived from said improvements and  
11 facilities so long as any obligations issued hereunder  
12 shall remain outstanding and unpaid as to principal or  
13 interest; provided, however, that out of revenues  
14 which may be received in excess of those required for  
15 the purposes listed in the above sub-paragraphs (1),  
16 (2) and (3), the Board of Directors may pay the cost of  
17 improvements and replacements not covered by said  
18 sub-paragraph (1), and may establish a reasonable  
19 depreciation and emergency fund. . . .

20 Revisor's Note

21 Section 14(m), Chapter 97, General Laws, Acts of  
22 the 44th Legislature, Regular Session, 1935, limits  
23 the use of revenue derived from improvements and  
24 facilities if any obligation is "outstanding and  
25 unpaid as to principal or interest." The revised law  
26 omits "outstanding" because the meaning of the term is  
27 included in the meaning of "unpaid as to principal or  
28 interest."

29 Revisor's Note  
30 (End of Subchapter)

31 (1) Section 1, Chapter 97, General Laws, Acts of  
32 the 44th Legislature, Regular Session, 1935, requires  
33 the authority to repay the State of Texas for an amount  
34 appropriated to the authority by the state's General  
35 Appropriations Act in 1973. The revised law omits the  
36 provision as executed. The omitted law reads:

37 Sec. 1. . . . The district shall  
38 repay the State of Texas from funds received  
39 from sources other than the State of Texas  
40 in the amount of the appropriation made to  
41 the Neches River Conservation District,  
42 predecessor of the Angelina and Neches

1 River Authority, in Chapter 659, Acts of the  
2 63rd Legislature, Regular Session,  
3 1973. . . .

4 (2) Section 6, Chapter 97, General Laws, Acts of  
5 the 44th Legislature, Regular Session, 1935, provides  
6 that the authority board shall require officers or  
7 employees who have certain financial responsibilities  
8 to furnish a bond. The revised law omits that  
9 provision as unnecessary because it duplicates, in  
10 substance, part of Section 49.057, Water Code, which  
11 is a general law that applies to the authority under  
12 Sections 49.001(a) and 49.002, Water Code. The  
13 omitted law reads:

14 Sec. 6. The directors of the district  
15 shall require all officers and employees  
16 who shall be charged with the collection or  
17 paying or handling of any funds of the  
18 district under their orders, to furnish  
19 good and sufficient bonds, with a duly  
20 authorized surety company as surety  
21 thereon, payable to the district,  
22 conditioned upon the faithful performance  
23 of their duties and accounting for all funds  
24 and property of the district coming into  
25 their hands, which bonds shall be in  
26 sufficient sums to safeguard the district.

27 (3) Section 10, Chapter 97, General Laws, Acts  
28 of the 44th Legislature, Regular Session, 1935,  
29 contains provisions relating to the accounts and an  
30 audit of the authority. The revised law omits those  
31 provisions as unnecessary because they either  
32 duplicate, in substance, or are superseded by parts of  
33 Sections 49.191, 49.193, 49.194, and 49.196, Water  
34 Code, which are general laws that apply to the  
35 authority under Sections 49.001(a), 49.002, and  
36 49.191(b), Water Code. The omitted law reads:

37 Sec. 10. A complete book of accounts  
38 shall be kept. The account books and  
39 records of the district and of the  
40 depository of the district shall be audited  
41 by a Certified Public Accountant annually  
42 as soon as practicable after the expiration  
43 of each year, such audit to cover the  
44 preceding calendar year, and report thereon  
45 shall be submitted to the first regular  
46 meeting of the Board of Directors

1           thereafter. Said report . . . all of which  
2           shall be open to public inspection.

3           (4) Section 17, Chapter 97, General Laws, Acts  
4           of the 44th Legislature, Regular Session, 1935,  
5           authorizes the authority to receive grants from any  
6           source. The revised law omits that provision as  
7           unnecessary because it duplicates, in substance, part  
8           of Section 49.229, Water Code, which is a general law  
9           that applies to the authority under Sections 49.001(a)  
10          and 49.002, Water Code. The omitted law reads:

11                   Sec. 17. [Said District may] receive  
12                   grants, and . . . [from the Federal  
13                   Emergency Administration of Public Works of  
14                   the United States, or from any other  
15                   department or agency of the United States,  
16                   or from any other source, and] . . . .

17           [Sections 8501.206-8501.250 reserved for expansion]

18           SUBCHAPTER F. OBLIGATIONS RELATING TO BORROWED MONEY

19                           Revised Law

20           Sec. 8501.251. POWER TO BORROW MONEY; EVIDENCE OF  
21           OBLIGATION. The authority may:

22                   (1) borrow money from any source, including an agency  
23                   of the United States; and

24                   (2) issue a note, warrant, certificate of  
25                   indebtedness, or other form of obligation of the authority as  
26                   evidence of the borrowed money. (Acts 44th Leg., R.S., G.L., Ch.  
27                   97, Sec. 17 (part).)

28                           Source Law

29                   Sec. 17. Said District may . . . borrow money  
30                   from the Federal Emergency Administration of Public  
31                   Works of the United States, or from any other  
32                   department or agency of the United States, or from any  
33                   other source, and in evidence thereof may issue the  
34                   notes, warrants, certificates of indebtedness or other  
35                   form of obligations of such district, . . . .

36                           Revisor's Note

37                   Section 17, Chapter 97, General Laws, Acts of the  
38                   44th Legislature, Regular Session, 1935, refers to the  
39                   "Federal Emergency Administration of Public Works of  
40                   the United States, or . . . any other department or

1 agency of the United States." The revised law omits  
2 "Federal Emergency Administration of Public Works of  
3 the United States" because that agency no longer  
4 exists and because any entity that succeeded to the  
5 functions of that agency is included within the  
6 meaning of any "agency of the United States." The  
7 revised law also omits "department" because the  
8 meaning of the term is included in the meaning of  
9 "agency."

#### 10 Revised Law

11 Sec. 8501.252. OBLIGATION PAYABLE FROM REVENUE. (a) An  
12 obligation issued under this chapter by the authority may be made  
13 payable from and secured by a pledge of:

14 (1) all the revenue derived from the operations and  
15 devices of the authority's improvements and facilities, excluding  
16 any revenue derived from a tax or assessment;

17 (2) only the revenue derived from the operation of the  
18 authority's improvements and facilities acquired with the proceeds  
19 from the sale of the obligation; or

20 (3) a specific part of the revenue derived from the  
21 operation of the authority's improvements and facilities.

22 (b) The proceedings authorizing the issuance of the  
23 obligation must identify the method described by Subsection (a)  
24 that is to be used to pay and secure the obligation. (Acts 44th  
25 Leg., R.S., G.L., Ch. 97, Secs. 17 (part), 19 (part).)

#### 26 Source Law

27 Sec. 17. . . . payable solely out of the  
28 revenues to be derived from said improvements and  
29 facilities and the operations and devices thereof.

30 Sec. 19. Any obligations issued hereunder, may  
31 be issued payable from, and secured by the pledge of  
32 all the revenues derived from the operation of the  
33 improvements and facilities of the district, exclusive  
34 of any revenues derived from taxation of assessments,  
35 or may be payable from, and secured by the pledge of  
36 only such revenues as may be derived from the operation  
37 of the improvements and facilities acquired with the  
38 proceeds of the sale of such obligations, or may be  
39 payable from, and secured by the pledge of a specific  
40 part of the revenues derived from the operation of the

1 improvements and facilities of the district, all as  
2 may be provided in the proceedings authorizing the  
3 issuance of such obligations. . . .

4 Revisor's Note

5 Section 19, Chapter 97, General Laws, Acts of the  
6 44th Legislature, Regular Session, 1935, provides that  
7 an obligation of the authority may be made payable from  
8 and secured by a pledge of all the revenue derived  
9 from the operation of the authority's improvements and  
10 facilities, excluding any revenue derived from  
11 taxation "of" assessments. The revised law refers to a  
12 tax "or" assessment to carry out the intent of Section  
13 19 of Chapter 97.

14 Revised Law

15 Sec. 8501.253. NO CREATION OF DEBT; NO PAYMENT FROM TAXES.

16 (a) An obligation issued under this chapter is not a debt or a  
17 pledge of credit of the authority.

18 (b) The obligation:

19 (1) may not be paid in whole or part from any money  
20 raised by taxation; and

21 (2) must contain a recital to that effect. (Acts 44th  
22 Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

23 Source Law

24 Sec. 18. . . . Such obligations shall not  
25 constitute an indebtedness or pledge of the credit of  
26 such district, shall never be paid in whole, or in part  
27 out of any funds raised, or to be raised by taxation,  
28 and shall contain a recital to that effect. . . .

29 Revisor's Note

30 Section 18, Chapter 97, General Laws, Acts of the  
31 44th Legislature, Regular Session, 1935, states that  
32 an obligation of the authority may not be paid from  
33 money "raised, or to be raised by taxation." The  
34 revised law omits "or to be raised" because the meaning  
35 of that language is included in the meaning of  
36 "raised."

1 Revised Law

2 Sec. 8501.254. TIME OF SALE. An obligation issued under  
3 this chapter shall be sold at the time determined by the board to be  
4 expedient and necessary to the interest of the authority. (Acts  
5 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

6 Source Law

7 Sec. 18. . . . Such obligations shall be sold  
8 in such manner, and at such time as the Board of  
9 Directors shall determine to be expedient and  
10 necessary to the interest of the district, . . . .

11 Revisor's Note

12 Section 18, Chapter 97, General Laws, Acts of the  
13 44th Legislature, Regular Session, 1935, provides that  
14 an obligation shall be sold "in such manner" as the  
15 board of directors determines. The revised law omits  
16 that provision as unnecessary because it is  
17 duplicative in part and superseded in part by Section  
18 1201.022, Government Code. Section 1201.022 applies  
19 to obligations issued under Chapter 97, General Laws,  
20 Acts of the 44th Legislature, Regular Session, 1935,  
21 by the application of Section 1201.002, Government  
22 Code.

23 Revised Law

24 Sec. 8501.255. MATURITY. An obligation issued under this  
25 chapter must mature not more than 50 years after its date in the  
26 manner provided by the board. (Acts 44th Leg., R.S., G.L., Ch. 97,  
27 Sec. 18 (part).)

28 Source Law

29 Sec. 18. . . . All obligations issued  
30 hereunder . . . shall mature . . . not more than fifty  
31 years from their date in such manner as may be provided  
32 by the Board of Directors. . . .

33 Revised Law

34 Sec. 8501.256. SIGNATURES. (a) An obligation issued  
35 under this chapter must be signed by the president and  
36 secretary-treasurer of the board. An interest coupon attached to  
37 an obligation may be executed with the facsimile signature of the

1 president and secretary-treasurer.

2 (b) If an officer whose signature is on an obligation or  
3 coupon ceases to be an officer before the delivery of the obligation  
4 to the purchaser, the signature remains valid for all purposes.  
5 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

6 Source Law

7 Sec. 18. . . . Such obligations shall be  
8 signed by the President and Secretary of the Board of  
9 Directors, and the interest coupons attached thereto  
10 may be executed with the facsimile signatures of such  
11 officers. . . . In the event any of the officers whose  
12 signatures are on such obligations or coupons, shall  
13 cease to be such officers before the delivery of such  
14 obligations to the purchaser, such signature or  
15 signatures, nevertheless shall be valid and sufficient  
16 for all purposes. . . .

17 Revisor's Note

18 Section 18, Chapter 97, General Laws, Acts of the  
19 44th Legislature, Regular Session, 1935, provides  
20 circumstances under which an officer's signature on an  
21 obligation or coupon is "valid and sufficient" for all  
22 purposes. The revised law omits "sufficient" because  
23 the meaning of the term is included in the meaning of  
24 "valid."

25 Revised Law

26 Sec. 8501.257. LIEN ON REVENUE. (a) If more than one  
27 series of obligations is issued under this chapter payable from and  
28 secured by identical revenue, the priority of a lien against that  
29 revenue depends on the time of delivery of the obligations. A lien  
30 for a series of obligations is prior and superior to a lien for  
31 another series of obligations subsequently delivered.

32 (b) For an issue or series of obligations that are  
33 authorized as a unit but delivered periodically in blocks, the  
34 board may, in the proceedings authorizing the issuance of the  
35 obligations, provide that all the obligations of the issue or  
36 series are coequal as to lien regardless of the time of delivery.  
37 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 19 (part).)



1 (1) provide for the payment of the principal of and  
2 interest on all obligations maturing and becoming payable in the  
3 year; and

4 (2) create a surplus or margin of 10 percent in excess  
5 of the amount needed under Subdivision (1). (Acts 44th Leg., R.S.,  
6 G.L., Ch. 97, Secs. 20 (part), 22.)

7 Source Law

8 Sec. 20. Any resolution, or order authorizing  
9 the issuance of obligations under the provisions  
10 hereof shall provide for the creation of a sinking  
11 fund, into which shall be paid from the revenues  
12 pledged to the payment of such obligations from month  
13 to month as said revenues are collected, sums fully  
14 sufficient to pay principal of, and interest on, such  
15 obligations. The money in such sinking fund shall be  
16 applied solely to the payment of interest on the  
17 obligations for the payment of which such fund is  
18 created, and for the retirement of said obligations,  
19 at or prior to maturity, in the manner herein provided.  
20 . . .

21 Sec. 22. Any resolution or order authorizing  
22 the issuance of obligations hereunder, shall provide  
23 that the revenues from which such obligations are to be  
24 paid and which are pledged to the payment of such  
25 obligations, shall from month to month, as the same  
26 shall accrue and be received, be set apart and placed  
27 in the sinking fund, and disbursed in the manner  
28 hereinabove provided. In fixing and determining the  
29 amount of revenues which shall be so set aside, the  
30 Board of Directors shall provide that the amount to be  
31 set aside and paid into said fund in any year or years,  
32 shall be not less than a fixed sum, which sum shall be  
33 at least sufficient to provide for the payment of the  
34 interest on, and principal of all obligations maturing  
35 and becoming payable in each such year, together with a  
36 surplus or margin of ten per cent in excess thereof.

37 Revised Law

38 Sec. 8501.259. SINKING FUND: EXCESS MONEY. (a) At the  
39 time obligations are authorized under this chapter, the board may  
40 provide that all money in the sinking fund in excess of the amount  
41 required for the payment of the principal of and interest on the  
42 outstanding obligations, for a period the board determines, shall  
43 be spent once each year under the board's order to purchase  
44 obligations for the account of which the sinking fund has been  
45 accumulated, if the obligations can be purchased at a price the  
46 board considers reasonable.

47 (b) The board may provide that, if the obligations contain

1 an option permitting retirement before maturity, the excess amount  
2 shall be paid out as provided by this chapter for the purchase of  
3 the obligations. If the board is unable to purchase sufficient  
4 obligations of the issue to absorb all the surplus, the board shall  
5 call for redemption of a sufficient amount of the obligations to  
6 absorb, so far as practicable, the entire surplus remaining in the  
7 sinking fund.

8 (c) The board may provide that any excess amount in the  
9 sinking fund that cannot be applied to the purchase or redemption of  
10 obligations shall remain in the sinking fund to be used for payment  
11 of principal or interest, when due, or for the subsequent call of  
12 obligations for purchase or redemption in the manner provided by  
13 this section. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 20 (part).)

14 Source Law

15 Sec. 20. . . . The Board of Directors may at  
16 the time obligations are authorized hereunder, provide  
17 that all money in such sinking fund in excess of the  
18 amount required for the payment of interest on, and  
19 principal of, such outstanding obligations, for such  
20 period as it may determine, shall be expended once each  
21 year pursuant to its order in the purchase of  
22 obligations for the account of which such sinking fund  
23 has been accumulated, if any such obligations can be  
24 purchased at a price which shall seem reasonable to the  
25 Board, and may provide that in the event such  
26 obligations contain an option permitting retirement  
27 prior to maturity, then such excess sums shall be paid  
28 out as aforesaid for the purchase of such obligations,  
29 but that if the Board shall be unable to so purchase  
30 sufficient obligations of said issue to absorb all  
31 such surplus, it shall call for redemption of a  
32 sufficient amount of such obligations to absorb so far  
33 as practicable the entire surplus remaining in said  
34 sinking fund. It may be provided that any excess in the  
35 sinking fund which cannot be applied to the purchase or  
36 redemption of obligations, shall remain in said  
37 sinking fund to be used for payment of principal or  
38 interest when due, or for the subsequent call of  
39 obligations for purchase or redemption in the manner  
40 above provided.

41 Revised Law

42 Sec. 8501.260. COVENANTS FOR MARKETABILITY. (a) A  
43 resolution or order authorizing the issuance of obligations under  
44 this chapter may contain covenants with the holders of the  
45 obligations on the following subjects as considered necessary to  
46 ensure the marketability of the obligations:

1 (1) management and operation of the improvements and  
2 facilities of the authority;

3 (2) collection of fees for the use of the improvements  
4 and facilities;

5 (3) disposition of the fees;

6 (4) issuance of future obligations and creation of  
7 future liens, mortgages, and encumbrances against the improvements  
8 and facilities and the revenue of the improvements and facilities;  
9 and

10 (5) other pertinent matters.

11 (b) The covenants may not be inconsistent with this chapter.  
12 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 21.)

13 Source Law

14 Sec. 21. Any resolution or order authorizing  
15 the issuance of obligations hereunder, may contain  
16 such covenants with the holders of the obligations as  
17 to the management and operation of said improvements  
18 and facilities, collection of fees and charges for the  
19 use thereof, disposition of such fees and charges,  
20 issuance of future obligations and creation of future  
21 liens, mortgages and encumbrances against said  
22 improvements and facilities, and the revenues thereof,  
23 and other pertinent matters, as may be deemed  
24 necessary to insure the marketability of said  
25 obligations, provided such covenants are not  
26 inconsistent with the provisions of this Act.

27 Revised Law

28 Sec. 8501.261. HOLDER OF OBLIGATION MAY COMPEL PERFORMANCE.

29 (a) A holder of obligations issued under this chapter or of coupons  
30 originally attached to the obligations may enforce and compel the  
31 performance by the board of all duties required of the board by this  
32 chapter, including:

33 (1) setting and collecting reasonable and sufficient  
34 fees for the use of the improvements and facilities of the  
35 authority;

36 (2) segregating the income and revenue of the  
37 improvements and facilities; and

38 (3) applying the income and revenue under this  
39 chapter.

40 (b) The holder of the obligations or coupons may act under

1 Subsection (a):

2 (1) at law or in equity; and

3 (2) by a suit, action, mandamus, or other proceeding.

4 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 23 (part).)

5 Source Law

6 Sec. 23. Any holder of obligations issued  
7 hereunder, or of coupons originally attached thereto,  
8 may either at law or in equity, by suit, action,  
9 mandamus, or other proceeding, enforce and compel  
10 performance of all duties required by this Act, to be  
11 performed by the Board of Directors, including the  
12 making and collecting of reasonable and sufficient  
13 fees or charges for the use of the improvements and  
14 facilities of the district, the segregation of the  
15 income and revenues of such improvements and  
16 facilities, and the application of such income and  
17 revenues pursuant to the provisions of this Act. . . .

18 Revised Law

19 Sec. 8501.262. HOLDER OF OBLIGATION ENTITLED TO  
20 ADMINISTRATOR OR RECEIVER. (a) If there is a default in the  
21 payment of the principal of or interest on an obligation issued  
22 under this chapter, any holder of the obligation is entitled to have  
23 an administrator or receiver appointed by a court to administer and  
24 operate, on behalf of the authority and the holders of the  
25 obligation, the improvements and facilities the revenue of which is  
26 pledged to the payment of the obligation.

27 (b) The administrator or receiver may:

28 (1) set and collect fees sufficient to:

29 (A) provide for the payment of operation and  
30 maintenance expenses as described by this chapter; and

31 (B) pay any outstanding obligations or interest  
32 coupons payable from the revenue of the improvements and  
33 facilities; and

34 (2) apply the income and revenue of the improvements  
35 and facilities in accordance with this chapter and the proceedings  
36 authorizing the issuance of the obligation. (Acts 44th Leg., R.S.,  
37 G.L., Ch. 97, Sec. 23 (part).)

38 Source Law

39 Sec. 23. . . . If there be any default in the  
40 payment of the principal of, or interest on, any of

1 such obligations, any holder thereof shall be entitled  
2 to have an administrator or receiver appointed by any  
3 court having jurisdiction to administer and operate  
4 the improvements and facilities, the revenues of which  
5 are pledged to the payment of such obligations, in  
6 behalf of the district and the holders of such  
7 obligations, with power to fix and collect fees and  
8 charges sufficient to provide for the payment of  
9 operation and maintenance expenses as hereinabove  
10 defined, and to pay any obligations or interest  
11 coupons outstanding payable from the revenues of such  
12 improvements and facilities, and to apply the income  
13 and revenues thereof in conformity with the provisions  
14 of this Act, and the proceedings authorizing the  
15 issuance of said obligations.

16 Revisor's Note

17 Section 23, Chapter 97, General Laws, Acts of the  
18 44th Legislature, Regular Session, 1935, refers to  
19 the appointment of an administrator or receiver by a  
20 court "having jurisdiction." The revised law omits  
21 the quoted language as unnecessary because the general  
22 laws of civil jurisdiction determine which courts have  
23 jurisdiction over the matter. The authority of the  
24 court is subject to those laws.

25 Revised Law

26 Sec. 8501.263. ADDITIONAL SECURITY FOR OBLIGATION:  
27 MORTGAGE AND ENCUMBRANCE. (a) As additional security for the  
28 payment of an obligation issued under this chapter, the board may  
29 have executed in favor of the holders of the obligations an  
30 indenture mortgaging and encumbering:

31 (1) the improvements, facilities, and other property  
32 acquired with the proceeds of the sale of the obligation; or

33 (2) all the improvements, facilities, and other  
34 property of the authority.

35 (b) In the encumbrance, the board may provide for granting  
36 to any purchaser at a foreclosure sale under the encumbrance a  
37 franchise to operate the improvements, facilities, and other  
38 property for a term not to exceed 50 years after the date of the  
39 purchase, subject to the laws regulating the matter.

40 (c) The indenture:

41 (1) may contain the provisions the board considers

1 proper; and

2 (2) is enforceable in the manner provided by the laws  
3 of this state for the enforcement of other mortgages and  
4 encumbrances. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

5 Source Law

6 Sec. 24. As additional security for the payment  
7 of any obligations issued hereunder, the Board of  
8 Directors may, in its discretion, have executed in  
9 favor of the holders of such obligations, an  
10 indenture, mortgaging and encumbering the  
11 improvements, facilities and properties acquired with  
12 the proceeds of the sale of such obligations, and/or  
13 all of the improvements, facilities and properties of  
14 the district, and may provide in such encumbrance for a  
15 grant to any purchaser, or purchasers, at foreclosure  
16 sale thereunder of a franchise to operate such  
17 improvements, facilities and properties, for a term of  
18 not over fifty years from the date of such purchase,  
19 subject to all laws regulating same then in force. Any  
20 such indenture may contain such terms and provisions  
21 as the Board of Directors shall deem proper, and shall  
22 be enforceable in the manner provided by the laws of  
23 Texas for the enforcement of other mortgages and  
24 encumbrances. . . .

25 Revisor's Note

26 Section 24, Chapter 97, General Laws, Acts of the  
27 44th Legislature, Regular Session, 1935, provides that  
28 an indenture may contain the "terms and provisions"  
29 the board of directors considers proper. The revised  
30 law omits "terms" because the meaning of the term is  
31 included in the meaning of "provisions."

32 Revised Law

33 Sec. 8501.264. SALE UNDER MORTGAGE OR ENCUMBRANCE. (a)  
34 Under a sale ordered under a mortgage or encumbrance described by  
35 Section 8501.263, a purchaser of the improvements, facilities, and  
36 other property at the sale, and the purchaser's successors or  
37 assigns, are vested with a permit and franchise to maintain and  
38 operate the improvements, facilities, and other property with  
39 powers and privileges like those held by the authority in the  
40 operation of the improvements, facilities, and other property.

41 (b) Instead of operating the improvements, facilities, and  
42 other property as provided by Subsection (a), the purchaser and the  
43 purchaser's successors or assigns may remove all or part of the

1 improvements, facilities, and other property for diversion to other  
2 purposes. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

3 Source Law

4 Sec. 24. . . . Under any sale ordered pursuant  
5 to the provisions of such mortgage or encumbrance, the  
6 purchaser or purchasers at such sale, and his or their  
7 successors or assigns, shall be and hereby are vested  
8 with a permit and franchise to maintain and operate the  
9 improvements, facilities and properties purchased at  
10 such sale, with like powers and privileges as may  
11 theretofore have been enjoyed by the district in the  
12 operation of said improvements, facilities and  
13 properties. The purchaser or purchasers of such  
14 improvements, facilities and properties at any such  
15 sale, and his or their successors and assigns, may  
16 operate said improvements, facilities and properties  
17 as provided in the last above sentence, or may at their  
18 option remove all or part of said improvements,  
19 facilities and properties for diversion to other  
20 purposes. . . .

21 Revised Law

22 Sec. 8501.265. STATE FRANCHISE LAW NOT APPLICABLE. A  
23 statute of this state relating to the granting of franchises is not  
24 applicable to:

25 (1) the authorization or execution of a mortgage or  
26 encumbrance entered into under this chapter; or

27 (2) the grant of a franchise under this chapter. (Acts  
28 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

29 Source Law

30 Sec. 24. . . . Any Statutes of the State of  
31 Texas pertaining to the granting of franchises shall  
32 not be applicable to the authorization or execution of  
33 any mortgage or encumbrance entered into pursuant to  
34 the provisions of this Act, nor to the granting of any  
35 franchise hereunder.

36 Revised Law

37 Sec. 8501.266. DEPOSIT OF PROCEEDS. (a) The proceeds of  
38 the sale of an obligation issued under this chapter may be:

39 (1) deposited in one or more banks on which the  
40 purchaser of the obligations and the board agree; and

41 (2) deposited and paid out under the conditions and  
42 other terms to which the purchaser and board agree.

43 (b) The statutes of this state relating to the deposit of  
44 authority funds in the depository of the authority do not apply to

1 the deposit of the proceeds of the sale of an obligation issued  
2 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 25  
3 (part).)

4 Source Law

5 Sec. 25. The proceeds of the sale of any  
6 obligations issued hereunder, may be deposited in such  
7 bank or banks as may be agreed upon between the  
8 purchaser at such sale and the Board of Directors, and  
9 may be deposited and paid out pursuant to such terms  
10 and conditions as may be so agreed upon, it being  
11 expressly provided that the Statutes of Texas  
12 pertaining to the deposit of the district funds in the  
13 depository of such district, shall not be applicable  
14 to the deposit of the proceeds of such sale. . . .

15 Revised Law

16 Sec. 8501.267. USE OF UNSPENT PROCEEDS AFTER PROJECT  
17 COMPLETION. Any part of the proceeds of the sale of an obligation  
18 issued under this chapter that are unspent after the project for  
19 which the obligations were authorized is completed may be paid into  
20 the sinking fund for the payment of the obligation and may be used  
21 only for:

- 22 (1) the payment of the principal of the obligation; or  
23 (2) the purpose of acquiring outstanding obligations  
24 by purchase in the manner provided by this chapter. (Acts 44th  
25 Leg., R.S., G.L., Ch. 97, Sec. 25 (part).)

26 Source Law

27 Sec. 25. . . . Any part of the proceeds of the  
28 sale of obligations issued hereunder which may remain  
29 unexpended after the project for which the obligations  
30 were authorized has been completed, may be paid into  
31 the sinking fund, for the payment of said obligations,  
32 and be used only for the payment of principal of such  
33 obligations, or for the purposes of acquiring such  
34 outstanding obligations by purchase in the manner  
35 hereinabove provided.

36 Revised Law

37 Sec. 8501.268. INSURING IMPROVEMENTS AND FACILITIES. (a)  
38 The board may enter into, under terms to which the board agrees, an  
39 agreement with the purchaser of an obligation issued under this  
40 chapter to:

- 41 (1) keep all the improvements and facilities, the  
42 revenue of which is pledged to the payment of the obligation,

1 insured with insurers of good standing against loss or damage by  
2 fire, water or flood, or another hazard that private companies that  
3 operate similar property customarily cover by insurance; and

4 (2) carry with one or more insurers of good standing  
5 the insurance covering the use and occupancy of the property as is  
6 customarily carried by private companies that operate similar  
7 property.

8 (b) The cost of the insurance shall be budgeted as a  
9 maintenance and operation expense.

10 (c) The insurance shall be carried for the benefit of the  
11 holder of the obligation. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
12 26.)

13 Source Law

14 Sec. 26. The Board of Directors is authorized to  
15 enter into an agreement, or agreements, with the  
16 purchaser or purchasers of any obligations issued  
17 hereunder, under the terms of which such Board shall  
18 agree to keep all of the improvements and facilities,  
19 the revenues of which are pledged to the payment of  
20 such obligations, insured with insurers of good  
21 standing against loss or damage by fire, water or  
22 flood, and also from any other hazards customarily  
23 insured against by private companies operating similar  
24 properties, and to carry with insurers of good  
25 standing, such insurance covering the use and  
26 occupancy of such property as is customarily carried  
27 by such private companies. The cost of such insurance  
28 shall be budgeted as maintenance and operation  
29 expense, and such insurance shall be carried for the  
30 benefit of the holders of such obligations.

31 Revised Law

32 Sec. 8501.269. REFUNDING OBLIGATION. (a) The authority  
33 may authorize and issue, on terms the board considers advisable, a  
34 refunding obligation to provide for the retirement of an  
35 outstanding obligation issued by the authority under this chapter.  
36 The refunding obligation:

37 (1) may be issued for an obligation that is due or to  
38 become due; and

39 (2) is subject to the provisions of this chapter  
40 relating to the issuance of other obligations.

41 (b) A refunding obligation may be:

42 (1) exchanged for like par amounts of the outstanding

1 obligation; or

2 (2) sold, with the proceeds being used to retire the  
3 outstanding obligation.

4 (c) The refunding obligation must be:

5 (1) secured in all respects to the same extent as other  
6 obligations issued under this chapter; and

7 (2) paid from the same revenue from which the refunded  
8 obligation was to be paid. (Acts 44th Leg., R.S., G.L., Ch. 97,  
9 Sec. 28.)

10 Source Law

11 Sec. 28. Such district issuing obligations  
12 under the provisions hereof, may thereafter authorize  
13 and issue its refunding obligations on such terms as  
14 its Board of Directors may deem advisable for the  
15 purpose of providing for the retirement of any such  
16 outstanding obligations, either due or to become due,  
17 which refunding obligations may be either exchanged  
18 for like par amounts of such outstanding obligations,  
19 or may be sold and the proceeds of sale so applied. Any  
20 refunding obligations authorized and issued pursuant  
21 hereto, shall be subject to the provisions of this Act,  
22 pertaining to the issuance of other obligations, and  
23 shall be secured in all respect to the same extent, and  
24 be payable from the same revenues as were the  
25 obligations refunded thereby.

26 Revised Law

27 Sec. 8501.270. TAX EXEMPTION. An obligation issued under  
28 this chapter is exempt from taxation by this state or by any  
29 municipal corporation, county, or other political subdivision or  
30 taxing district of this state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
31 Sec. 27.)

32 Source Law

33 Sec. 27. Any obligations issued pursuant to the  
34 provisions of this Act, shall be exempt from taxation  
35 by the State of Texas, or by any municipal corporation,  
36 county, or other political subdivision or taxing  
37 district of the State.

38 Revisor's Note  
39 (End of Subchapter)

40 (1) Section 18, Chapter 97, General Laws, Acts  
41 of the 44th Legislature, Regular Session, 1935,  
42 provides that an obligation shall be in registered or  
43 coupon form and registerable as to principal only, or

1 as to both principal and interest. The revised law  
2 omits that provision as unnecessary because it is  
3 duplicative in part of, and is superseded in part by,  
4 Section 1201.024, Government Code. Section 1201.024  
5 applies to obligations issued under Chapter 97,  
6 General Laws, Acts of the 44th Legislature, Regular  
7 Session, 1935. The omitted law reads:

8           Sec. 18. . . . [All obligations  
9           issued hereunder] shall be in registered or  
10          coupon form, and if in coupon form may be  
11          registerable as to principal only, or as to  
12          both principal and interest, . . . .

13           (2) Section 18, Chapter 97, General Laws, Acts  
14          of the 44th Legislature, Regular Session, 1935,  
15          provides that each issue of an obligation is a separate  
16          series. The revised law omits that provision as  
17          unnecessary because it is superseded by Section  
18          1201.022, Government Code. Section 1201.022 applies  
19          to obligations issued under Chapter 97, General Laws,  
20          Acts of the 44th Legislature, Regular Session, 1935.  
21          The omitted law reads:

22           Sec. 18. Each issue of obligations  
23           authorized hereunder, shall constitute a  
24           separate series and shall be appropriately  
25           designated. . . .

26           (3) Section 18, Chapter 97, General Laws, Acts  
27          of the 44th Legislature, Regular Session, 1935,  
28          provides that the authority's obligations may bear  
29          interest at a rate not to exceed six percent payable  
30          and provides for the manner of computing the interest.  
31          Section 1204.006, Government Code, and other sections  
32          of Chapter 1204, Government Code, supersede those  
33          provisions. Those sections of the Government Code  
34          permit a public agency to issue public securities at  
35          any net effective interest rate of 15 percent or less  
36          and provide for computing the interest. The omitted  
37          law reads:

1                   Sec. 18. . . . [All obligations  
2                   issued hereunder] . . . shall bear interest  
3                   at a rate not to exceed six per cent per  
4                   annum, . . . provided, that in no event  
5                   shall such obligations be sold for a price  
6                   which will result in an interest yield  
7                   therefrom of more than six per cent,  
8                   computed to maturity according to standard  
9                   bond tables in general use by banks and  
10                   insurance companies. . . .

11                   (4) Section 18, Chapter 97, General Laws, Acts  
12                   of the 44th Legislature, Regular Session, 1935,  
13                   provides that an obligation of the authority shall  
14                   bear interest "payable annually or semi-annually."  
15                   The revised law omits the quoted language for the  
16                   reason stated by Revisor's Note (2) under Section  
17                   8501.204. The omitted law reads:

18                   Sec. 18. . . . [All obligations  
19                   issued hereunder shall be] payable annually  
20                   or semi-annually, [and] . . . .

21                   (5) Section 18, Chapter 97, General Laws, Acts  
22                   of the 44th Legislature, Regular Session, 1935,  
23                   provides that the board of directors may issue an  
24                   obligation in any denomination and provides that the  
25                   obligation shall mature serially or at one time. The  
26                   revised law omits that provision as unnecessary  
27                   because it duplicates provisions of Section 1201.021,  
28                   Government Code. Section 1201.021 applies to  
29                   obligations issued under Chapter 97, General Laws,  
30                   Acts of the 44th Legislature, Regular Session, 1935,  
31                   by application of Section 1201.002, Government Code.  
32                   The omitted law reads:

33                   Sec. 18. . . . [All obligations  
34                   issued hereunder] . . . and shall be in such  
35                   denominations and [shall mature] serially,  
36                   or at one time, . . . [as may be provided by  
37                   the Board of Directors]. . . .

38                   (6) Section 18, Chapter 97, General Laws, Acts  
39                   of the 44th Legislature, Regular Session, 1935,  
40                   provides that the board of directors may authorize the  
41                   payment of principal and interest at any place. The  
42                   revised law omits that provision as unnecessary

1 because it duplicates provisions of Section 1201.021,  
2 Government Code. Section 1201.021 applies to  
3 obligations issued under Chapter 97, General Laws,  
4 Acts of the 44th Legislature, Regular Session, 1935,  
5 by application of Section 1201.002, Government Code.  
6 The omitted law reads:

7           Sec. 18. . . . Principal of, and  
8           interest on such obligations shall be made  
9           payable at any place, or places within or  
10          without the State of Texas, and in the  
11          discretion of the Board of Directors;  
12          . . . .

13           (7) Section 18, Chapter 97, General Laws, Acts  
14          of the 44th Legislature, Regular Session, 1935,  
15          provides that an obligation issued under Chapter 97  
16          may be redeemed before maturity at the premium the  
17          board of directors determines. The revised law omits  
18          that provision as unnecessary because Sections  
19          1201.021 and 1201.022, Government Code, provide that a  
20          public security may be redeemed before maturity and be  
21          payable in specified amounts. Those sections of the  
22          Government Code apply to obligations issued under  
23          Chapter 97, General Laws, Acts of the 44th  
24          Legislature, Regular Session, 1935, by application of  
25          Section 1201.002, Government Code. The omitted law  
26          reads:

27           Sec. 18. . . . such obligations may  
28           be made redeemable at the option of said  
29           Board, prior to maturity at such premium or  
30           premiums as the Board shall  
31           determine. . . .

32           (8) Section 18, Chapter 97, General Laws, Acts  
33          of the 44th Legislature, Regular Session, 1935,  
34          provides that bonds issued by the authority are  
35          negotiable instruments under the Negotiable  
36          Instruments Law. The revised law omits that provision  
37          as unnecessary because the Uniform Negotiable  
38          Instruments Act (Articles 5932-5948, Revised

1 Statutes) was repealed in 1965 when the Uniform  
2 Commercial Code (Chapters 1-9, Business & Commerce  
3 Code) was adopted. Section 1201.041, Government Code,  
4 provides that a public security is a negotiable  
5 instrument. Section 1201.041 applies to obligations  
6 issued under Chapter 97, General Laws, Acts of the 44th  
7 Legislature, Regular Session, 1935, by application of  
8 Section 1201.002, Government Code. The omitted law  
9 reads:

10                   Sec. 18. . . . All obligations  
11                   issued hereunder shall constitute  
12                   negotiable instruments within the meaning  
13                   of the Negotiable Instruments Law.

14                   (9) Section 29, Chapter 97, General Laws, Acts  
15                   of the 44th Legislature, Regular Session, 1935,  
16                   requires the obligations of the authority to be  
17                   approved by the attorney general and registered with  
18                   the comptroller of public accounts. Those provisions  
19                   are omitted as unnecessary because they are superseded  
20                   by Sections 1202.003 and 1202.005, Government Code.  
21                   Section 1202.003 provides for the review and approval  
22                   of obligations by the attorney general. Section  
23                   1202.005 provides for the registration of the  
24                   obligations with the comptroller of public accounts.  
25                   Sections 1202.003 and 1202.005 apply to obligations  
26                   issued under Chapter 97, General Laws, Acts of the 44th  
27                   Legislature, Regular Session, 1935, by application of  
28                   Section 1201.002, Government Code. The omitted law  
29                   reads:

30                   Sec. 29. Before any such obligation  
31                   shall be issued, such district shall submit  
32                   a certified copy thereof, and of the  
33                   proceedings for their issuance, together  
34                   with any additional information which may  
35                   be required, to the Attorney General of  
36                   Texas, for approval, and when so approved  
37                   such obligations shall be issued after  
38                   registration with the Comptroller of the  
39                   State of Texas.

40                   [Sections 8501.271-8501.900 reserved for expansion]

1 SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

2 Revised Law

3 Sec. 8501.901. CHAPTER AS FULL AUTHORITY; OTHER STATUTES  
4 NOT APPLICABLE. (a) This chapter, without reference to other  
5 statutes of this state, is full authority for the authorization and  
6 issuance of an obligation under this chapter and for the  
7 accomplishment of all actions authorized by this chapter. No other  
8 proceedings are necessary.

9 (b) A statute of this state does not apply to a proceeding or  
10 other act under this chapter if the statute:

11 (1) relates to:

12 (A) the authorization or issuance of  
13 obligations;

14 (B) the operation or maintenance of an  
15 improvement or facility;

16 (C) the grant of a franchise or permit; or

17 (D) the right to an election or referendum  
18 petition; or

19 (2) in any way impedes or restricts the implementation  
20 of the acts authorized under this chapter.

21 (c) Notwithstanding Subsections (a) and (b), this section  
22 does not prevent another statute from applying to the authority if  
23 the legislative intent is that the other statute supersede or  
24 operate in conjunction with this chapter. (Acts 44th Leg., R.S.,  
25 G.L., Ch. 97, Sec. 30.)

26 Source Law

27 Sec. 30. This Act, without reference to other  
28 Statutes of the State of Texas, shall constitute full  
29 authority for the authorization and issuance of  
30 obligations hereunder, and for the accomplishment of  
31 all things herein authorized to be done, and no  
32 proceedings relating to the authorization or issuance  
33 of such obligation, or the doing of such things, shall  
34 be necessary except such as are herein required, and  
35 neither the Bond or Warrant Law of 1931, or any other  
36 provisions of the laws of the State of Texas, pertinent  
37 to the authorization or issuance of obligations, the  
38 operation and maintenance of such improvements and  
39 facilities, the granting of franchises or permits, the  
40 right to elections or referendum petitions, or in  
41 anywise impeding or restricting the carrying out of

1 the acts authorized to be done hereunder, shall be  
2 construed as applying to any proceedings had hereunder  
3 or acts done pursuant hereto.

4 Revisor's Note

5 (1) Section 30, Chapter 97, General Laws, Acts  
6 of the 44th Legislature, Regular Session, 1935,  
7 provides that "without reference to other Statutes of  
8 the State of Texas": (1) Chapter 97 is "full  
9 authority" for the authorization and issuance of  
10 obligations and for the accomplishment of actions  
11 authorized by Chapter 97; (2) no proceedings relating  
12 to those obligations or actions are necessary except  
13 as required by Chapter 97; and (3) other state laws  
14 that relate to the following subjects do not apply to  
15 the authority: "the authorization or issuance of  
16 obligations, the operation and maintenance of such  
17 improvements and facilities, the granting of  
18 franchises or permits, the right to elections or  
19 referendum petitions, or in anywise impeding or  
20 restricting the carrying out of the acts authorized"  
21 under Chapter 97.

22 Those provisions of Section 30 of Chapter 97  
23 appear to have the effect of exempting the authority's  
24 actions under Chapter 97 from the application of all  
25 other state statutes. However, the actual effect of  
26 Section 30 is more limited. Notwithstanding the  
27 language of Section 30 of Chapter 97, under the common  
28 rules of statutory construction other statutes would  
29 apply to the authority if the legislative intent is  
30 that those statutes apply. For instance, certain  
31 statutes that were enacted after Chapter 97 and that  
32 were intended to create uniformity among public  
33 entities in general or among particular types of  
34 special districts do apply to the authority regardless  
35 of the language in Section 30 of Chapter 97 to the

1 contrary. Examples of those kinds of statutes are  
2 Chapters 1201 and 1202, Government Code, relating to  
3 the issuance of public securities by public entities,  
4 and Chapter 49, Water Code, relating to a variety of  
5 topics that apply to certain types of special  
6 districts.

7 Therefore, the revised law adds Subsection (c) to  
8 clarify the actual effect of Section 30 of Chapter 97.

9 (2) Section 30, Chapter 97, General Laws, Acts  
10 of the 44th Legislature, Regular Session, 1935,  
11 provides that the "Bond or Warrant Law of 1931, or any  
12 other provisions of the laws of the State of Texas" do  
13 not apply to proceedings or actions under Chapter 97.  
14 The revised law omits the reference to the "Bond or  
15 Warrant Law of 1931" because the relevant part of that  
16 law has been repealed. Furthermore, the reference to  
17 "any other provisions of the laws of the State of  
18 Texas," which is revised, is broad enough to encompass  
19 any reference to a specific statute.

20 Revisor's Note  
21 (End of Chapter)

22 (1) Section 33, Chapter 97, General Laws, Acts  
23 of the 44th Legislature, Regular Session, 1935,  
24 appropriated money to the authority for certain  
25 purposes. The revised law omits that provision as  
26 unnecessary because it is executed. The omitted law  
27 reads:

28 Sec. 33. There is hereby  
29 appropriated, and there shall be paid to  
30 said district out of the General Fund not  
31 otherwise appropriated, the sum of Five  
32 Thousand (\$5,000.00) Dollars, which said  
33 sum shall be used for defraying the expenses  
34 of making engineering surveys, plans and  
35 specifications, for the compilation of  
36 other necessary data, for abstracts of  
37 title, and for the payment of necessary and  
38 proper expenses incidental to the  
39 application and negotiations for, and  
40 securing the aid and assistance of the  
41 Federal Emergency Administration of Public

1 Works, or other Governmental bodies of the  
2 United States, and in connection with the  
3 organization of the district, and any and  
4 all expenses necessary to the management of  
5 the affairs of the district. Provided,  
6 however, that none of the amount  
7 appropriated herein shall be used to pay any  
8 expenses or costs incurred prior to the  
9 effective date of this bill. Provided that  
10 none of the funds herein appropriated shall  
11 be used to pay for options on lands in said  
12 district.

13 (2) Section 34, Chapter 97, General Laws, Acts  
14 of the 44th Legislature, Regular Session, 1935, is a  
15 type of severability provision. The revised law omits  
16 that provision as unnecessary because the provision is  
17 similar in substance to language in Section 311.032,  
18 Government Code (Code Construction Act), applicable to  
19 the revised law, and Section 312.013, Government Code.  
20 Sections 311.032 and 312.013 state that a provision of  
21 a statute is severable from each other provision of the  
22 statute that can be given effect. The omitted law  
23 reads:

24 Sec. 34. If any paragraph, clause or  
25 provision of this Act shall be held  
26 unconstitutional, the validity of the other  
27 provisions of this Act, shall not be  
28 affected thereby, but shall remain in full  
29 force and effect.

30 [Chapters 8502-8800 reserved for expansion]

31 SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER  
32 CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

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26 CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

27 SUBCHAPTER A. GENERAL PROVISIONS

28 Revised Law

29 Sec. 8801.001. DEFINITIONS. In this chapter:

30 (1) "Board" means the board of directors of the  
31 district.

32 (2) "Commission" means the Texas Commission on  
33 Environmental Quality.

34 (3) "District" means the Harris-Galveston Coastal

1 Subsidence District.

2 (4) "Groundwater" means water located beneath the  
3 earth's surface. The term does not include water produced with oil  
4 in the production of oil and gas.

5 (5) "Subsidence" means the lowering of the elevation  
6 of the surface of land by groundwater withdrawal.

7 (6) "Water conservation" means a measure that seeks to  
8 make a water supply available for alternative or future use. The  
9 term includes best management practices, improved efficiency or  
10 accountability, recycling, reuse, pollution prevention, and  
11 reduction in consumption, loss, or waste.

12 (7) "Well" means a facility, device, or method used to  
13 withdraw groundwater from the groundwater supply.

14 (8) "Well owner" means a person who has an ownership  
15 interest in a well, operates a well, owns land on which a well is  
16 located, or owns the water withdrawn or to be withdrawn from a well.

17 (9) "Withdrawal" means the act of extracting by  
18 pumping or some other method. (Water Code, Secs. 151.002(1), (2),  
19 (3), (5), (7), (8), (9), (10), (11).)

20 Source Law

21 Sec. 151.002. DEFINITIONS. In this chapter:

22 (1) "Board" means the board of directors  
23 of the district.

24 (2) "Commission" means the Texas Natural  
25 Resource Conservation Commission.

26 (3) "District" means the Harris-Galveston  
27 Coastal Subsidence District.

28 (5) "Groundwater" means water located  
29 beneath the earth's surface, but does not include water  
30 produced with oil in the production of oil and gas.

31 (7) "Subsidence" means the lowering in  
32 elevation of the surface of land by the withdrawal of  
33 groundwater.

34 (8) "Water conservation" means any measure  
35 that seeks to make a water supply available for  
36 alternative or future uses, including best management  
37 practices, reduction in consumption, reduction in loss  
38 or waste, improved efficiency or accountability,  
39 recycling, reuse, or pollution prevention.

40 (9) "Well" means a facility, device, or  
41 method used to withdraw groundwater from the  
42 groundwater supply within the district.

43 (10) "Well owner" means a person who has an  
44 ownership interest in a well, owns land on which a well  
45 is located, owns the water withdrawn or to be withdrawn

1 from a well, or operates a well.

2 (11) "Withdraw" means the act of  
3 extracting groundwater by pumping or some other  
4 method.

5 Revisor's Note

6 (1) Section 151.002(2), Water Code, defines  
7 "commission" to mean the "Texas Natural Resource  
8 Conservation Commission." The name of the Texas  
9 Natural Resource Conservation Commission was changed  
10 to "Texas Commission on Environmental Quality" by  
11 Section 18.01, Chapter 965, Acts of the 77th  
12 Legislature, Regular Session, 2001. The revised law  
13 is drafted accordingly.

14 (2) Section 151.002(6), Water Code, defines  
15 "groundwater-withdrawal year" as a period of time that  
16 is the equivalent of a calendar year. The revised law  
17 omits the definition as unnecessary and substitutes  
18 "calendar year" for "groundwater-withdrawal year"  
19 throughout the chapter. The omitted definition reads:

20 (6) "Groundwater-withdrawal  
21 year" means the period beginning January 1  
22 of one year and ending December 31 of that  
23 same year.

24 (3) Section 151.002(9), Water Code, defines  
25 "well" as "a facility, device, or method used to  
26 withdraw groundwater from the groundwater supply  
27 within the district." By limiting the term to a well  
28 located "within the district," the source law gives  
29 the term an artificial meaning out of keeping with its  
30 ordinary usage. In addition, numerous other  
31 provisions of Chapter 151, Water Code, such as Section  
32 151.121, which is revised in this chapter as Section  
33 8801.155, use "well" in a phrase such as "a well . . .  
34 drilled or operated within the boundaries of the  
35 district," which, given the definition of "well," is  
36 redundant. To avoid the artificial definition and the  
37 redundancies, the revised law omits "within the

1 district" from the definition of "well" and throughout  
2 this chapter inserts that phrase where necessary.

3 (4) Section 151.002(11), Water Code, defines  
4 the term "withdraw." The revised law substitutes  
5 "withdrawal" for "withdraw" because "withdrawal" is  
6 the term used in the chapter. In addition, that  
7 section defines "withdraw," in part, as "the act of  
8 extracting groundwater." The revised law omits the  
9 reference to "groundwater" as redundant because  
10 "groundwater withdrawal" is the term used throughout  
11 the chapter.

#### 12 Revised Law

13 Sec. 8801.002. NATURE OF DISTRICT. The district is a  
14 groundwater conservation district created under Section 59,  
15 Article XVI, Texas Constitution, and is essential to accomplish the  
16 purposes of that section. (Water Code, Sec. 151.001(a).)

#### 17 Source Law

18 Sec. 151.001. CREATION. (a) The  
19 Harris-Galveston Coastal Subsidence District is an  
20 underground water conservation district created under  
21 and essential to accomplish the purposes of Article  
22 XVI, Section 59, of the Texas Constitution.

#### 23 Revisor's Note

24 (1) Section 151.001(a), Water Code, refers to  
25 the district as an "underground water conservation  
26 district." The revised law substitutes "groundwater  
27 conservation district" for the quoted language to  
28 conform to the term used in Chapter 36, Water Code,  
29 applicable to the district under Section 151.005(a),  
30 Water Code (revised in this chapter as Section  
31 8801.101(a)), and under Section 36.001, Water Code.

32 (2) Section 151.001(b), Water Code, provides  
33 that the district is a "governmental agency and body  
34 politic and corporate." The revised law omits the  
35 provision because it duplicates, in substance,  
36 provisions of Section 59(b), Article XVI, Texas

1 Constitution. The policy of the legislative council's  
2 statutory revision program is to omit duplicating  
3 statutory provisions from the revised codes because a  
4 statute that tracks the language of the constitution  
5 not only is superfluous but may foster the erroneous  
6 belief that a constitutional requirement is merely  
7 statutory and subject to amendment through the  
8 ordinary legislative process. The omitted law reads:

9 (b) The district is a governmental  
10 agency and body politic and corporate.

11 Revised Law

12 Sec. 8801.003. PURPOSE; LEGISLATIVE INTENT. (a) The  
13 purpose of this chapter is to provide for the regulation of  
14 groundwater withdrawal in the district to end subsidence, which  
15 contributes to or precipitates flooding or overflow of the  
16 district, including rising water resulting from a storm or  
17 hurricane.

18 (b) The legislature intends that the district shall  
19 administer and enforce this chapter and exercise the district's  
20 rights, powers, and duties in a manner that will effectively and  
21 expeditiously accomplish the purpose of this chapter. (Water Code,  
22 Secs. 151.004(a), (b).)

23 Source Law

24 Sec. 151.004. PURPOSE AND INTENT; FINDING OF  
25 BENEFIT. (a) The purpose of this chapter is to  
26 provide for the regulation of the withdrawal of  
27 groundwater within the boundaries of the district for  
28 the purpose of ending subsidence, which contributes to  
29 or precipitates flooding, inundation, or overflow of  
30 the district, including without limitation rising  
31 waters resulting from storms or hurricanes.

32 (b) The legislature intends that the district  
33 shall administer and enforce this chapter and shall  
34 exercise the district's rights, powers, and duties in a  
35 manner that will effectively and expeditiously  
36 accomplish the purposes of this chapter.

37 Revisor's Note

38 (1) Section 151.004(a), Water Code, refers to  
39 subsidence, which precipitates "flooding [or]  
40 inundation." The revised law omits "inundation"

1 because, in context, the meaning of that term is  
2 included in the meaning of "flooding."

3 (2) Section 151.004(a), Water Code, refers to  
4 flooding, "including without limitation rising  
5 waters." The revised law omits "without limitation"  
6 as unnecessary because Section 311.005(13),  
7 Government Code (Code Construction Act), applicable to  
8 the revised law, provides that "including" is a term of  
9 enlargement and not of limitation and its use does not  
10 create a presumption that components not expressed are  
11 excluded.

12 Revised Law

13 Sec. 8801.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
14 The district is created to serve a public use and benefit.

15 (b) The works and projects accomplished by the district  
16 under powers conferred by Section 59, Article XVI, Texas  
17 Constitution, will benefit all the land and other property included  
18 in the district. (Water Code, Sec. 151.004(c).)

19 Source Law

20 (c) All of the land and other property included  
21 within the boundaries of the district will be  
22 benefited by the works and projects that are to be  
23 accomplished by the district under powers conferred by  
24 Article XVI, Section 59, of the Texas Constitution.  
25 The district is created to serve a public use and  
26 benefit.

27 Revised Law

28 Sec. 8801.005. DISTRICT TERRITORY. The district includes  
29 the territory located within the boundaries of Harris County and  
30 Galveston County, as that territory may have been modified under:

31 (1) Section 8801.006 or its predecessor statute,  
32 former Section 151.003(b), Water Code;

33 (2) Subchapter J, Chapter 36, Water Code; or

34 (3) other law. (Water Code, Sec. 151.003(a); New.)

35 Source Law

36 Sec. 151.003. BOUNDARIES. (a) The district  
37 includes all of the area located within the boundaries  
38 of Harris County and Galveston County.

1 Revisor's Note

2 Section 151.003(a), Water Code, describes the  
3 boundaries of the district. For the reader's  
4 convenience, the revised law adds references to  
5 statutory authority to change the district's territory  
6 under Section 151.003(b), Water Code, which is revised  
7 in this chapter as Section 8801.006 and which provides  
8 that an adjacent county may be added to the district,  
9 and under Subchapter J, Chapter 36, Water Code,  
10 applicable to the district under Section 151.005(a),  
11 Water Code (revised in this chapter as Section  
12 8801.101(a)), and under Section 36.001, Water Code.  
13 The revised law also includes a reference to the  
14 general authority of the legislature to enact other  
15 laws to change the district's territory.

16 Revised Law

17 Sec. 8801.006. ADDITION OF ADJACENT COUNTY TO DISTRICT.

18 (a) A county adjoining the district may be added to the district:

19 (1) on application by the commissioners court of the  
20 adjoining county; and

21 (2) by complying with the procedures provided by  
22 Subchapter K, Chapter 36, Water Code.

23 (b) A county added to the district under this section is  
24 subject to this chapter and the jurisdiction of the board. (Water  
25 Code, Sec. 151.003(b) (part).)

26 Source Law

27 (b) Except as provided in this subsection, an  
28 adjoining county may be added to the district on  
29 application of the commissioners court of the  
30 adjoining county and by complying with the procedures  
31 provided in Subchapter K, Chapter 36. Any county added  
32 to the district under this subsection is subject to the  
33 jurisdiction of the board and this chapter, . . . .

34 [Sections 8801.007-8801.050 reserved for expansion]

35 SUBCHAPTER B. DISTRICT ADMINISTRATION

36 Revised Law

37 Sec. 8801.051. DIRECTORS. (a) The district is governed by

1 a board composed of 19 directors appointed as provided by this  
2 section. Directors serve for two-year, staggered terms. A director  
3 must be a qualified voter of the district.

4 (b) The mayor of the municipality with the largest  
5 population of any municipality in the district shall appoint six  
6 directors from that municipality. One of those directors must be a  
7 representative of industry.

8 (c) The mayor of the municipality with the second largest  
9 population of any municipality in the district shall appoint one  
10 director from that municipality.

11 (d) The mayors of all municipalities in Galveston County  
12 shall jointly appoint two directors from those municipalities.

13 (e) The mayor of Baytown shall appoint one director from the  
14 municipality of Baytown.

15 (f) The Commissioners Court of Harris County shall appoint  
16 three directors who are not residents of the municipality that has  
17 the largest population of any municipality in the district. One of  
18 those directors must be a representative of agriculture, one must  
19 be a representative of industry, and one must be a representative of  
20 municipal utility districts and a resident of a municipal utility  
21 district in the district.

22 (g) The Commissioners Court of Galveston County shall  
23 appoint three directors. One of those directors must be a  
24 representative of municipal utility districts and a resident of a  
25 municipal utility district in the district.

26 (h) The president of the Clear Lake City Water Authority and  
27 the mayors of the municipalities of Deer Park, Galena Park, La  
28 Porte, Nassau Bay, and Seabrook shall jointly appoint one director  
29 from Harris County.

30 (i) The mayors of the municipalities of West University  
31 Place, Southside Place, Bellaire, and Jacinto City shall jointly  
32 appoint one director from Harris County.

33 (j) The mayors of the municipalities of Humble, Piney Point  
34 Village, Hedwig Village, Bunker Hill Village, Hunters Creek

1 Village, Hilshire Village, and Spring Valley shall jointly appoint  
2 one director from Harris County. (Water Code, Sec. 151.031.)

3 Source Law

4 Sec. 151.031. BOARD OF DIRECTORS. (a) The  
5 district is governed by a board of directors composed  
6 of 19 members who serve for two-year, staggered terms.

7 (b) The board consists of:

8 (1) six members from the city in the  
9 district having the largest population of any city in  
10 the district, to be appointed by the mayor of that  
11 city, one of these members to be a representative of  
12 industry;

13 (2) one member from the city in the  
14 district having the next largest population of any  
15 city in the district, to be appointed by the mayor of  
16 that city;

17 (3) two members from all incorporated  
18 cities in Galveston County, appointed by the mayors of  
19 those cities;

20 (4) one member from the city of Baytown,  
21 appointed by the mayor of that city;

22 (5) three members appointed by the  
23 commissioners court of Harris County, one to be a  
24 representative of agriculture, one to be a  
25 representative of industry, and one to be a  
26 representative of municipal utility districts,  
27 provided that none of these members is a resident of  
28 the city in the district having the largest  
29 population, and provided that the representative of  
30 municipal utility districts is a resident of a  
31 municipal utility district in the district;

32 (6) three members appointed by the  
33 commissioners court of Galveston County, one to be a  
34 representative of municipal utility districts,  
35 provided that the representative of municipal utility  
36 districts is a resident of a municipal utility  
37 district in the district;

38 (7) one member from Harris County chosen  
39 by the mayors of the cities of Deer Park, Galena Park,  
40 La Porte, Nassau Bay, and Seabrook and the president of  
41 the Clear Lake City Water Authority;

42 (8) one member from Harris County chosen  
43 by the mayors of the cities of West University Place,  
44 Southside Place, Bellaire, and Jacinto City; and

45 (9) one member from Harris County chosen  
46 by the mayors of the cities of Humble, Piney Point  
47 Village, Hedwig Village, Bunker Hill Village, Hunters  
48 Creek Village, Hilshire Village, and the village of  
49 Spring Valley.

50 (c) A member of the board must be a resident of  
51 and a qualified voter in the district.

52 Revisor's Note

53 (1) Section 151.031, Water Code, and other  
54 sections in Chapter 151, Water Code, refer to a "city"  
55 and to "incorporated cities." Throughout this chapter,  
56 the revised law substitutes "municipality" for "city"  
57 because the terms are synonymous and "municipality" is

1 the term used in the Local Government Code; the revised  
2 law omits "incorporated" because, under the Local  
3 Government Code, all municipalities must be  
4 incorporated.

5 (2) Sections 151.031(b)(7)-(9), Water Code,  
6 refer to board members from Harris County who are  
7 "chosen" by mayors of certain municipalities.  
8 Throughout this chapter, the revised law substitutes  
9 "appoint" for "choose" because, in context, the terms  
10 are synonymous and the former is more commonly used.

11 (3) Section 151.031(c), Water Code, provides  
12 that a member of the board of directors "must be a  
13 resident of and a qualified voter in the district."  
14 The revised law omits as unnecessary the requirement  
15 that a member be a resident of the district. Section  
16 11.001(2), Election Code, provides that to be eligible  
17 to vote in an election, a person must be a resident of  
18 the territory covered by the election; for a person to  
19 be a "qualified voter of the district," the person must  
20 reside in the district.

#### 21 Revised Law

22 Sec. 8801.052. APPOINTMENT OF DIRECTORS ON ADDITION OF  
23 COUNTY TO DISTRICT. (a) On addition of a county to the district  
24 under Section 8801.006, two directors are added to the board as  
25 follows:

26 (1) the commissioners court of the county added to the  
27 district shall appoint one director; and

28 (2) the mayor of the municipality that has the largest  
29 population in the added county shall appoint one director.

30 (b) The directors added to the board under Subsection (a)  
31 shall draw lots to establish staggered terms of office. (Water  
32 Code, Sec. 151.003(b) (part).)

#### 33 Source Law

34 (b) . . . [an adjoining county may be added to

1 the district] . . . and two members shall be added to  
2 the board. One shall be chosen by the commissioners  
3 court of the county added to the district and one shall  
4 be chosen by the mayor of the city that has the largest  
5 population in the county that is added. The two new  
6 members shall draw lots to establish staggered terms  
7 of office.

8 Revised Law

9 Sec. 8801.053. BOARD POWERS AND DUTIES. In addition to the  
10 powers and duties described in this chapter, the board has all other  
11 powers necessary or convenient to carry out its responsibilities  
12 and accomplish the purpose of this chapter. (Water Code, Sec.  
13 151.005(b) (part).)

14 Source Law

15 (b) . . . The board has the powers and duties  
16 specifically described in this chapter and all other  
17 powers necessary or convenient to carry out its  
18 responsibilities and achieve the purpose of this  
19 chapter.

20 Revised Law

21 Sec. 8801.054. OFFICERS. Each year, at the first meeting  
22 after the new directors take office, the directors shall select  
23 from among the directors a president, a vice president, and a  
24 secretary. (Water Code, Sec. 151.032(a).)

25 Source Law

26 Sec. 151.032. OFFICERS. (a) Each year at the  
27 first meeting after the new directors take office, the  
28 members shall select one of their number to serve as  
29 chairman, one to serve as vice-chairman, and one to  
30 serve as secretary.

31 Revisor's Note

32 (1) Section 151.032(a), Water Code, refers to  
33 the "chairman" and "vice-chairman" of the board.  
34 Throughout this chapter, the revised law substitutes  
35 "president" for "chairman" and "vice president" for  
36 "vice-chairman" because, in the context in which the  
37 terms are used, the terms have the same meaning, and  
38 "president" and "vice president" are the terms used in  
39 Chapter 36, Water Code.

40 (2) Section 151.032(b), Water Code, requires  
41 the "chairman" or "vice-chairman" to preside over

1 board meetings. The revised law omits the section as  
2 unnecessary because it duplicates, in substance,  
3 Section 36.054(c), Water Code, applicable to the  
4 district under Section 151.005(a), Water Code (revised  
5 in this chapter as Section 8801.101(a)), and under  
6 Section 36.001, Water Code. The omitted law reads:

7 (b) The chairman shall preside over  
8 meetings of the board, and in the chairman's  
9 absence the vice-chairman shall preside.

10 Revised Law

11 Sec. 8801.055. MEETINGS. The board shall hold regular  
12 meetings once each month at a time set by the board. The board may  
13 hold special meetings at the call of the president or on the written  
14 request of at least three directors. (Water Code, Sec. 151.034.)

15 Source Law

16 Sec. 151.034. MEETINGS. The board shall meet  
17 for a regular meeting once each month at a time set by  
18 the board and may hold special meetings at the call of  
19 the chairman or on the written request of at least  
20 three members of the board.

21 Revised Law

22 Sec. 8801.056. VACANCIES. If a vacancy occurs on the board,  
23 a person representing the same area as the vacating director shall  
24 be appointed as provided by Section 8801.051 to serve the unexpired  
25 term. (Water Code, Sec. 151.033.)

26 Source Law

27 Sec. 151.033. VACANCIES. If a vacancy occurs on  
28 the board, a person representing the same area from  
29 which the person who vacates the position is appointed  
30 shall be chosen by the person or persons designated in  
31 Section 151.031(b) to serve the unexpired term.

32 Revised Law

33 Sec. 8801.057. GENERAL MANAGER. (a) The board shall employ  
34 a general manager, who serves as the chief administrative officer  
35 of the district.

36 (b) The duties of the general manager include:

- 37 (1) administering board orders;  
38 (2) coordinating with state, federal, and local  
39 agencies;

1 (3) overseeing development of district plans and  
2 programs; and

3 (4) performing other duties assigned by the board.

4 (c) The board shall determine the compensation and terms of  
5 office and employment for the general manager.

6 (d) The board by majority vote may discharge the general  
7 manager. (Water Code, Secs. 151.035(a) (part), (b), (c).)

8 Source Law

9 Sec. 151.035. GENERAL MANAGER. (a) The board  
10 shall employ a general manager as the chief  
11 administrative officer of the district. . . .

12 (b) The duties of the general manager include:

13 (1) administering the orders of the board;

14 (2) coordination with state, federal, and  
15 local agencies;

16 (3) overseeing development of district  
17 plans and programs; and

18 (4) other duties assigned by the board.

19 (c) The board shall determine the terms of  
20 office and employment and the compensation to be paid  
21 the general manager, and the general manager may be  
22 discharged by a majority vote of the board.

23 Revisor's Note

24 Section 151.035(a), Water Code, provides that the  
25 board may delegate its authority to the general  
26 manager of the district. The revised law omits the  
27 provision as unnecessary because it duplicates, in  
28 substance, Section 36.056(a), Water Code, applicable  
29 to the district under Section 151.005(a), Water Code  
30 (revised in this chapter as Section 8801.101(a)), and  
31 under Section 36.001, Water Code. The omitted law  
32 reads:

33 (a) . . . The board may delegate to  
34 the general manager full authority to  
35 manage and operate the affairs of the  
36 district subject only to orders of the  
37 board.

38 Revised Law

39 Sec. 8801.058. EMPLOYEES; BOND. (a) The general manager  
40 shall employ persons necessary to properly handle district business  
41 and operation. The general manager may employ attorneys,  
42 bookkeepers, engineers, and other expert and specialized personnel

1 considered necessary.

2 (b) The general manager shall determine the compensation  
3 paid to district employees.

4 (c) The general manager may discharge a district employee.

5 (d) The board shall require an employee who collects, pays,  
6 or handles district funds to furnish a good and sufficient bond.  
7 The bond must be in an amount sufficient to safeguard the district  
8 and must be:

9 (1) payable to the district; and

10 (2) conditioned on the faithful performance of the  
11 employee's duties and on accounting for all district funds and  
12 property in the employee's hands.

13 (e) The district shall pay for the bond described by  
14 Subsection (d). (Water Code, Sec. 151.036.)

15 Source Law

16 Sec. 151.036. EMPLOYEES; BOND. (a) The general  
17 manager shall employ all persons necessary for the  
18 proper handling of the business and operation of the  
19 district and may employ attorneys, bookkeepers,  
20 engineers, and other expert and specialized personnel  
21 considered necessary. The general manager shall  
22 determine compensation to be paid by the district.

23 (b) The general manager may discharge employees  
24 of the district.

25 (c) The board shall require an employee who  
26 collects, pays, or handles funds of the district to  
27 furnish good and sufficient bond, payable to the  
28 district, for a sufficient amount to safeguard the  
29 district. The bond shall be conditioned on the  
30 faithful performance of the employee's duties and on  
31 accounting for all funds and property of the district  
32 in the employee's hands. The district shall pay for  
33 the bond.

34 [Sections 8801.059-8801.100 reserved for expansion]

35 SUBCHAPTER C. POWERS AND DUTIES

36 Revised Law

37 Sec. 8801.101. DISTRICT POWERS AND DUTIES. (a) Except as  
38 provided by Sections 8801.102 and 8801.103, the district has all of  
39 the rights, powers, privileges, authority, functions, and duties  
40 provided by the general laws of this state, including Chapter 36,  
41 Water Code, that are applicable to groundwater conservation  
42 districts created under Section 59, Article XVI, Texas

1 Constitution.

2 (b) This chapter prevails over any other law in conflict or  
3 inconsistent with this chapter. (Water Code, Secs. 151.005(a),  
4 (e).)

5 Source Law

6 Sec. 151.005. POWERS AND DUTIES IN GENERAL. (a)  
7 The district has all of the rights, powers,  
8 privileges, authority, functions, and duties provided  
9 by the general law of this state, including Chapter 36,  
10 applicable to groundwater conservation districts  
11 created under Article XVI, Section 59, of the Texas  
12 Constitution.

13 (e) This chapter prevails over any other law in  
14 conflict or inconsistent with this chapter.

15 Revised Law

16 Sec. 8801.102. EXEMPTIONS. Sections 36.104, 36.114,  
17 36.117, and 36.201-36.204, Water Code, do not apply to the  
18 district. (Water Code, Sec. 151.005(c).)

19 Source Law

20 (c) Sections 36.104, 36.114, 36.117, 36.201,  
21 36.202, 36.203, and 36.204 and Subchapter I, Chapter  
22 36, do not apply to the district.

23 Revisor's Note

24 Section 151.005(c), Water Code, provides that  
25 "Subchapter I, Chapter 36, [Water Code, does] not  
26 apply to the district." The revised law omits the  
27 provision because it is superseded by Section  
28 36.052(b), Water Code, which provides that Subchapter  
29 I, Chapter 36, Water Code, prevails over a conflicting  
30 or inconsistent provision of a special law that  
31 governs a specific district. Under Section  
32 311.025(a), Government Code (Code Construction Act),  
33 applicable to the revised law, if two statutes are  
34 irreconcilable, the statute enacted latest prevails.  
35 Because Section 36.052(b), Water Code, was added by  
36 Section 4.27, Chapter 1010, Acts of the 75th  
37 Legislature, Regular Session, 1997, it prevails over  
38 Section 151.005(c), Water Code, which was last amended

1 by Section 5, Chapter 933, Acts of the 74th  
2 Legislature, Regular Session, 1995.

3 Revised Law

4 Sec. 8801.103. SALE OR DISTRIBUTION OF WATER PROHIBITED.  
5 The district may not sell or distribute surface water or  
6 groundwater for any purpose. (Water Code, Sec. 151.005(d).)

7 Source Law

8 (d) The district may not sell or distribute  
9 surface water or groundwater for any purpose.

10 Revised Law

11 Sec. 8801.104. AUTHORITY TO COMPEL TESTIMONY, ADMINISTER  
12 OATHS, AND ISSUE SUBPOENAS. If necessary to carry out its powers,  
13 duties, and functions under this chapter, the board may:

14 (1) compel the testimony of a person;

15 (2) administer an oath to a person compelled to  
16 testify before the board or a person designated by the board; and

17 (3) issue a subpoena to compel the testimony of a  
18 person and the production of a document. (Water Code, Sec.  
19 151.073.)

20 Source Law

21 Sec. 151.073. COMPELLING TESTIMONY, SWEARING  
22 WITNESSES, AND SUBPOENAS. (a) The board may compel  
23 the testimony of any person necessary to carry out its  
24 powers, duties, and functions under this chapter and  
25 may administer oaths to persons compelled to testify  
26 before the board or any person designated by the board.

27 (b) The board may issue subpoenas to compel the  
28 testimony of any person and the production of any  
29 document necessary to carry out the powers, duties,  
30 and functions under this chapter.

31 Revised Law

32 Sec. 8801.105. REPRESENTATION BY ATTORNEY GENERAL. The  
33 attorney general shall defend the district in suits brought against  
34 the district in all district and appellate courts of this state and  
35 in the courts of the United States. (Water Code, Sec. 151.037(b).)

36 Source Law

37 (b) The attorney general shall defend the  
38 district in suits brought against the district in all  
39 district and appellate courts of this state and in the  
40 courts of the United States.

1 Revised Law

2 Sec. 8801.106. GRANTS; CONTRACTS. The district may make or  
3 accept a grant, gratuity, advance, or loan in any form to or from  
4 any public source approved by the board, including a governmental  
5 entity, and may enter into a contract, agreement, or covenant that  
6 the board considers appropriate in connection with a grant,  
7 gratuity, advance, or loan. (Water Code, Sec. 151.083(b).)

8 Source Law

9 (b) The district may make or accept grants,  
10 gratuities, advances, or loans in any form to or from  
11 any public source approved by the board, including any  
12 governmental entity, and may enter into contracts,  
13 agreements, and covenants that the board considers  
14 appropriate in connection with grants, gratuities,  
15 advances, or loans.

16 Revised Law

17 Sec. 8801.107. COOPERATION WITH GOVERNMENTAL ENTITIES. In  
18 implementing this chapter, the board may request the assistance of  
19 and cooperate with a local government or an agency of this state or  
20 of the United States. (Water Code, Sec. 151.083(a).)

21 Source Law

22 Sec. 151.083. COOPERATION WITH AND ASSISTANCE  
23 OF OTHER GOVERNMENTAL ENTITIES; GRANTS. (a) The board  
24 may cooperate with and request the assistance of local  
25 governments and any agency of the state or of the  
26 United States in implementing this chapter.

27 Revised Law

28 Sec. 8801.108. RULES. (a) After notice and hearing, the  
29 board shall adopt rules designed to expeditiously and effectively  
30 implement this chapter and accomplish its purpose, including rules  
31 governing procedures before the board. The board shall enforce the  
32 rules.

33 (b) The board shall compile its rules in a book and make the  
34 rules available for use and inspection at the district's principal  
35 office. (Water Code, Sec. 151.071.)

36 Source Law

37 Sec. 151.071. RULES. (a) After notice and  
38 hearing, the board shall adopt and enforce rules  
39 designed to expeditiously and effectively implement  
40 this chapter and accomplish its purposes, including  
41 rules governing procedure before the board.

1 (b) The board shall compile its rules in a book  
2 and make them available for use and inspection at the  
3 district's principal office.

4 Revised Law

5 Sec. 8801.109. HEARINGS. (a) Board hearings must be  
6 conducted as provided by this section and Section 8801.110.

7 (b) At a regular meeting of the board, the board shall set  
8 the dates, times, and locations for hearings to be held under this  
9 chapter. The board may hold hearings at any location in the  
10 district and may recess a hearing from day to day.

11 (c) A person may appear at a hearing and present testimony,  
12 evidence, exhibits, or other information in person or by counsel,  
13 or both.

14 (d) The board may use hearing examiners to hear a subject  
15 set for the hearing, but the board must make the decision on the  
16 subject. Procedures for use of hearing examiners shall be provided  
17 by rule. (Water Code, Secs. 151.072(a) (part), (b) (part), (f),  
18 (g), (h), (i).)

19 Source Law

20 Sec. 151.072. HEARINGS. (a) Board hearings  
21 shall be conducted as provided by this section. . . .

22 (b) At a regular meeting of the board, the board  
23 shall set the dates, times, and locations for any  
24 hearings to be held under this chapter and . . . .

25 (f) A person who desires to appear at a hearing  
26 and present testimony, evidence, exhibits, or other  
27 information may do so in person, by counsel, or both.

28 (g) The board may hold hearings at any location  
29 in the district.

30 (h) The board may recess a hearing from day to  
31 day.

32 (i) The board may use hearing examiners to hear  
33 any subject set for the hearing so long as the decision  
34 on that subject is the decision of the board.  
35 Procedures for use of hearing examiners shall be  
36 provided by rule.

37 Revisor's Note

38 Section 151.072(a), Water Code, states that board  
39 hearings are "governed by" the open meetings law,  
40 Chapter 551, Government Code. The revised law omits  
41 the reference as unnecessary because Section 551.002,  
42 Government Code, requires a governmental body to  
43 comply with the open meetings law and the district is a

1 governmental body for the purpose of that provision.

2 The omitted law reads:

3 (a) . . . Hearings are governed by  
4 Chapter 551, Government Code. . . .

5 Revised Law

6 Sec. 8801.110. NOTICE OF HEARINGS. (a) Except as provided  
7 by this section, notice of hearings shall be provided according to  
8 Chapter 551, Government Code.

9 (b) At a meeting at which the board sets a hearing, the board  
10 shall direct the general manager of the district to give notice of  
11 the hearing.

12 (c) Written notice must be given to:

13 (1) each county and municipal government in the  
14 district; and

15 (2) each person that the board believes has an  
16 interest in the subject matter of the hearing.

17 (d) Notice of a hearing must be published at least once in a  
18 newspaper of general circulation in each county in the district.

19 (e) A copy of the notice must be posted in the place where  
20 notices are usually posted at the county courthouse of each county  
21 in the district. (Water Code, Secs. 151.072(a) (part), (b) (part),  
22 (c), (d), (e).)

23 Source Law

24 (a) . . . [Hearings are governed by Chapter  
25 551, Government Code.] Except as provided by this  
26 section, notice of hearings shall be provided  
27 according to that law.

28 (b) [At a regular meeting of the board, the  
29 board] . . . shall direct the general manager of the  
30 district to give notice.

31 (c) Written notice of a hearing shall be given  
32 to each county and municipal government in the  
33 district and to each person that the board believes has  
34 an interest in the subject matter to be dealt with at  
35 the hearing.

36 (d) Notice of a hearing shall be published at  
37 least once in a newspaper of general circulation in  
38 each county in the district.

39 (e) A copy of the notice shall be posted at the  
40 county courthouse of each county in the district in the  
41 place where notices are usually posted.

42 Revised Law

43 Sec. 8801.111. DISTRICT PLAN. (a) The board shall

1 formulate a plan to control and prevent subsidence in the district.

2 (b) The plan must:

3 (1) reduce groundwater withdrawals to amounts that  
4 will restore and maintain sufficient artesian pressure to control  
5 and prevent subsidence; and

6 (2) specify in as much detail as practicable the acts,  
7 procedures, performance, and avoidance that are necessary to  
8 accomplish the purpose of this chapter.

9 (c) Information gathered for formulating the plan must  
10 include:

11 (1) a list of all wells in the district that are  
12 subject to regulation under this chapter;

13 (2) a list of all available sources of water, other  
14 than groundwater, in the district;

15 (3) the purposes for which the water described by  
16 Subdivision (2) is used and for which it is proposed to be used;

17 (4) accurate estimates of:

18 (A) groundwater withdrawal from all wells or  
19 proposed wells in the district;

20 (B) the amount of groundwater that may be  
21 withdrawn from each area in the district without causing a  
22 reduction of artesian pressure that will lead to subsidence in the  
23 district; and

24 (C) current and future water needs in the  
25 district;

26 (5) information relating to formulating a permit  
27 system; and

28 (6) other information and material necessary to manage  
29 groundwater in the district and to effectively and expeditiously  
30 accomplish the purpose of this chapter. (Water Code, Secs.  
31 151.074, 151.075(a).)

32 Source Law

33 Sec. 151.074. DISTRICT PLAN. (a) The board  
34 shall formulate a plan to control and prevent  
35 subsidence in the district. The plan shall accomplish

1 that purpose by reducing groundwater withdrawals to  
2 amounts that will restore and maintain sufficient  
3 artesian pressure to control and prevent subsidence.

4 (b) The plan shall specify in as much detail as  
5 practicable the acts, procedures, performance, and  
6 avoidance that are necessary to carry out the purposes  
7 of this chapter.

8 Sec. 151.075. PLANNING PROCEDURES. (a)  
9 Included in the information to be gathered for  
10 formulation of the plan shall be:

11 (1) a list of all wells in the district  
12 that are subject to regulation under this chapter;

13 (2) an accurate estimate of groundwater  
14 production from all wells or proposed wells in the  
15 district;

16 (3) an accurate estimate of the amount of  
17 groundwater that may be produced from each area in the  
18 district without causing reduction of artesian  
19 pressure that will lead to subsidence in the district;

20 (4) an accurate estimate of the current  
21 and future water needs in the district;

22 (5) a list of all available sources of  
23 water, other than groundwater, in the area of the  
24 district;

25 (6) the purposes for which the water is  
26 currently used and for which it is proposed to be used  
27 in the future;

28 (7) information relating to formulation of  
29 a permit system; and

30 (8) other necessary information and  
31 material to carry out the management of groundwater in  
32 the district and to effectively and expeditiously  
33 accomplish the purposes of this chapter.

#### 34 Revised Law

35 Sec. 8801.112. ADOPTION OF DISTRICT PLAN. (a) The board  
36 shall hold a hearing to consider a plan formulated under Section  
37 8801.111.

38 (b) After the hearing, the board shall:

39 (1) make any changes it considers necessary according  
40 to evidence and material presented at the hearing; and

41 (2) adopt the plan.

42 (c) The board may amend or repeal a plan adopted under this  
43 section and may adopt a new plan as provided by this section for the  
44 adoption of the original plan.

45 (d) An adopted plan remains in effect until a new plan is  
46 adopted. (Water Code, Secs. 151.075(b), (c), (d).)

#### 47 Source Law

48 (b) Before the plan is adopted, the board shall  
49 hold a hearing to consider the proposed plan.

50 (c) After the hearing, the board shall make any  
51 changes it considers necessary according to evidence  
52 and material presented at the hearing and shall adopt  
53 the plan.

1 (d) The plan adopted under this section may be  
2 amended or repealed and a new plan adopted as provided  
3 in this section for the adoption of the original plan.  
4 A plan, once adopted, remains in effect until the  
5 adoption of a new plan.

6 Revised Law

7 Sec. 8801.113. WATER CONSERVATION MEASURES. (a) The board  
8 may adopt rules requiring the use of water conservation measures to  
9 reduce groundwater withdrawals.

10 (b) The district may cooperate with the commission and any  
11 local government to establish water conservation goals,  
12 guidelines, and plans to be used in the district.

13 (c) The district may contract with a local government in the  
14 district to provide services needed to meet water conservation  
15 requirements that the commission establishes. (Water Code, Sec.  
16 151.079.)

17 Source Law

18 Sec. 151.079. WATER CONSERVATION MEASURES. The  
19 board may adopt rules requiring the use of water  
20 conservation measures as a means to reduce groundwater  
21 withdrawals. The district may also cooperate with the  
22 commission and any local government to establish water  
23 conservation goals, guidelines, and plans to be used  
24 within the district. The district may contract with  
25 any local government in the district to provide  
26 services necessary to meet water conservation  
27 requirements established by the commission.

28 Revised Law

29 Sec. 8801.114. DISTRICT RESEARCH. The district may conduct  
30 studies and research that the board considers necessary to  
31 implement this chapter. In conducting studies and research, the  
32 district may use the services of geologists, hydrologists, licensed  
33 engineers, or other expert personnel. (Water Code, Sec. 151.082.)

34 Source Law

35 Sec. 151.082. RESEARCH AND STUDIES. The  
36 district may conduct any studies and research that the  
37 board considers necessary to implement this chapter.  
38 The district may use the services of geologists,  
39 hydrologists, registered professional engineers, or  
40 other expert personnel to accomplish the purposes of  
41 this section.

42 Revisor's Note

43 Section 151.082, Water Code, refers to  
44 "registered professional engineers." The revised law

1 substitutes a reference to "licensed engineers"  
2 because Chapter 1001, Occupations Code, provides for  
3 licensing of engineers, not registration.

4 Revised Law

5 Sec. 8801.115. STUDIES BY BOARD STAFF. At least once each  
6 year and at any other time the board considers necessary, the board  
7 shall have its staff and, if necessary, the staff of the Texas Water  
8 Development Board make a complete study of the groundwater in the  
9 district and determine:

10 (1) the water level;

11 (2) the rates and amounts of groundwater withdrawal;

12 and

13 (3) other information relating to groundwater  
14 withdrawal that may effect subsidence in the district. (Water  
15 Code, Sec. 151.076.)

16 Source Law

17 Sec. 151.076. BOARD INVESTIGATIONS. At least  
18 once each year and at any other time that the board  
19 considers necessary, the board shall have its staff  
20 and the staff of the Texas Water Development Board, if  
21 necessary, make a complete study of the groundwater  
22 situation in the district and determine the water  
23 level, rates of withdrawal, amounts of withdrawal, and  
24 other information relating to the withdrawal of  
25 groundwater that may effect the subsidence of land in  
26 the district.

27 Revisor's Note

28 Section 151.076, Water Code, refers to "the  
29 subsidence of land." Throughout this chapter, the  
30 revised law omits "of land" as redundant because  
31 "subsidence" is defined in Section 151.002(7), Water  
32 Code, which is revised in this chapter as Section  
33 8801.001(5), as "the lowering in elevation of the  
34 surface of land."

35 Revised Law

36 Sec. 8801.116. ACCESS TO PROPERTY. (a) To perform  
37 technical and other investigations needed to implement this  
38 chapter, the board and its agents and employees are entitled to

1 access to all property in the district.

2 (b) Before entering property for the purposes of this  
3 section, the person seeking access shall:

4 (1) give notice to the owner of the property as  
5 provided by district rules; and

6 (2) present proper credentials.

7 (c) The board and its agents and employees who enter private  
8 property shall observe the establishment's rules concerning  
9 safety, internal security, and fire protection. (Water Code, Sec.  
10 151.038.)

11 Source Law

12 Sec. 151.038. ACCESS TO PROPERTY. (a) To carry  
13 out technical and other investigations necessary to  
14 the implementation of this chapter, the board and its  
15 agents and employees are entitled to access to all  
16 property within the district.

17 (b) Before entering property for the purposes of  
18 this section, the person seeking access shall give  
19 notice to the owner of the property as provided by  
20 district rules and shall present proper credentials.

21 (c) The board and its agents and employees who  
22 enter private property shall observe the  
23 establishment's rules concerning safety, internal  
24 security, and fire protection.

25 Revised Law

26 Sec. 8801.117. ANNUAL GROUNDWATER WITHDRAWAL  
27 DETERMINATION. (a) Not later than March 31 of each year, the board  
28 shall hold a hearing to determine the effects of groundwater  
29 withdrawal during the preceding calendar year on subsidence in the  
30 district.

31 (b) At the hearing, the board shall consider information  
32 provided under Sections 8801.115 and 8801.162 and information  
33 presented by persons appearing before the board.

34 (c) After the hearing, the board shall:

35 (1) consider all information presented to it;

36 (2) determine groundwater withdrawal in the district  
37 during the preceding calendar year; and

38 (3) make findings on the effects of groundwater  
39 withdrawal during the preceding calendar year on subsidence in the  
40 district.

1 (d) The board's findings and determinations under  
2 Subsection (c) shall be included in a report adopted by the board.  
3 The board shall make the report available for examination by any  
4 interested person. (Water Code, Sec. 151.077.)

5 Source Law

6 Sec. 151.077. ANNUAL GROUNDWATER-WITHDRAWAL  
7 DETERMINATION. (a) On or before March 31 of each  
8 year, the board shall hold a hearing to determine the  
9 effects of groundwater withdrawal during the preceding  
10 groundwater-withdrawal year on the subsidence of land  
11 within the district.

12 (b) At the hearing, the board shall consider  
13 information developed under Sections 151.127 and  
14 151.076 of this code in addition to information  
15 represented by persons appearing before the board.

16 (c) After the hearing, the board shall consider  
17 all information presented to it, shall make  
18 determinations of groundwater withdrawal in the  
19 district during the immediately preceding  
20 groundwater-withdrawal year, and shall make findings  
21 of the effects of groundwater withdrawal during that  
22 groundwater-withdrawal year on the subsidence of land  
23 in the district. Those findings and determinations  
24 shall be included in a report adopted by the board and  
25 shall be made available for examination by any  
26 interested persons.

27 Revisor's Note

28 Section 151.077(c), Water Code, refers to "the  
29 immediately preceding" year. The revised law omits  
30 "immediately" as unnecessary. "The preceding" means  
31 "the immediately preceding."

32 Revised Law

33 Sec. 8801.118. MONITORING AND SUPERVISION BY DISTRICT. The  
34 district may use subsidence compaction monitors, water-level  
35 observation wells, and other materials and equipment to determine  
36 the amount of groundwater that may be withdrawn while allowing  
37 groundwater to rebound and stabilize to a level that will halt  
38 subsidence. (Water Code, Sec. 151.081.)

39 Source Law

40 Sec. 151.081. MONITORING AND SUPERVISION BY  
41 DISTRICT. The district may use subsidence compaction  
42 monitors, water-level observation wells, and other  
43 materials and equipment to determine the amount of  
44 groundwater that may be produced while at the same time  
45 allowing the rebound and stabilization of groundwater  
46 to a level that will halt subsidence.

1 Revised Law

2 Sec. 8801.119. REGULATION OF SPACING AND GROUNDWATER  
3 WITHDRAWAL. (a) To minimize as far as practicable the drawdown of  
4 the water table and the reduction of artesian pressure and to  
5 control and prevent subsidence, the board may provide for the  
6 spacing of wells in the district and may regulate groundwater  
7 withdrawal from wells, taking into consideration the economic  
8 impact on well owners, the resulting effect on subsidence, and  
9 other relevant factors.

10 (b) Before issuing an order or rule under this section, the  
11 board shall set a hearing on the proposed order or rule. (Water  
12 Code, Sec. 151.078.)

13 Source Law

14 Sec. 151.078. REGULATION OF SPACING AND  
15 PRODUCTION. (a) To minimize as far as practicable the  
16 drawdown of the water table and the reduction of  
17 artesian pressure and to control and prevent  
18 subsidence, the board may provide for the spacing of  
19 wells and may regulate the production of groundwater  
20 from the wells, taking into consideration, among other  
21 relevant factors, the economic impact on well owners  
22 and the resulting effect on subsidence.

23 (b) Before issuing an order or rule under this  
24 section, the board shall set a hearing on the proposed  
25 order or rule and shall issue notice of the hearing.

26 Revisor's Note

27 Section 151.078(b), Water Code, requires the  
28 board to set a hearing on a proposed order or rule  
29 under that section and "issue notice of the hearing."  
30 The revised law omits the quoted language as  
31 unnecessary because Section 151.072, Water Code, which  
32 is revised in part as Section 8801.110 of this chapter,  
33 requires the board to provide notice of a hearing.

34 Revised Law

35 Sec. 8801.120. WATER-METERING DEVICES. The board may  
36 require water-metering devices to be placed on wells in the  
37 district. (Water Code, Sec. 151.080.)

38 Source Law

39 Sec. 151.080. REQUIRING WATER-METERING DEVICES.  
40 The board may require water-metering devices to be

1 placed on wells.

2 [Sections 8801.121-8801.150 reserved for expansion]

3 SUBCHAPTER D. REGULATORY PROVISIONS

4 Revised Law

5 Sec. 8801.151. GROUNDWATER WITHDRAWALS SUBJECT TO BOARD  
6 RULE. Groundwater withdrawals governed by this chapter are subject  
7 to reasonable board rules and orders, taking into account all  
8 factors, including availability of surface water, economic impact  
9 on persons and the community, degree and effect of subsidence on the  
10 surface of land, and differing topographical and geophysical  
11 characteristics of land areas in the district. (Water Code, Sec.  
12 151.005(b) (part).)

13 Source Law

14 (b) Withdrawals of groundwater covered by this  
15 chapter are subject to reasonable rules and orders  
16 adopted by the board, taking into account all factors  
17 including availability of surface water, economic  
18 impact on persons and the community, degree and effect  
19 of subsidence on the surface of land, and differing  
20 topographical and geophysical characteristics of land  
21 areas in the district. . . .

22 Revised Law

23 Sec. 8801.152. CERTAIN WELLS EXEMPT. The regulatory  
24 provisions of this chapter do not apply to:

- 25 (1) a well regulated under Chapter 27, Water Code;  
26 (2) a well with a casing diameter of less than five  
27 inches that serves a single-family dwelling; and  
28 (3) any other well as provided by board rule. (Water  
29 Code, Sec. 151.084(a).)

30 Source Law

31 Sec. 151.084. EXCLUSIONS. (a) The regulatory  
32 provisions of this chapter do not apply to:  
33 (1) wells regulated under Chapter 27 of  
34 this code;  
35 (2) other wells as provided in the rules of  
36 the district; and  
37 (3) wells with a casing diameter of less  
38 than five inches that serve a single-family dwelling.

39 Revised Law

40 Sec. 8801.153. RESTRICTION ON REQUIREMENTS FOR CERTAIN  
41 MUNICIPALITIES. The board may require a municipality with a

1 population of less than 100,000 to reduce its groundwater  
2 withdrawal by more than 50 percent in a three-year period only if  
3 the board determines at a public hearing that the reduction:

4 (1) would not cause the municipality to have an  
5 inadequate supply of water for its residents; and

6 (2) would not cause an increase of 50 percent or more  
7 in water rates for the municipality or its residents. (Water Code,  
8 Sec. 151.126(f).)

9 Source Law

10 (f) The board may not require a city with a  
11 population of less than 100,000 to reduce its  
12 groundwater withdrawal by more than 50 percent in any  
13 three-year period if the city or its residents would  
14 face a hardship by that reduction. The board shall  
15 determine in public hearing whether or not the  
16 reduction would constitute a hardship to the city or  
17 its residents. In this subsection, "hardship" means  
18 any reduction in groundwater withdrawal that would:

19 (1) cause the city to have an inadequate  
20 supply of water for its residents; or

21 (2) cause an increase of 50 percent or more  
22 in water rates for the city or its residents.

23 Revised Law

24 Sec. 8801.154. WELL REGISTRATION. The board by rule may  
25 require the registration of any well in the district. (Water Code,  
26 Sec. 151.084(b).)

27 Source Law

28 (b) The board by rule may require the  
29 registration of any well in the district.

30 Revised Law

31 Sec. 8801.155. PERMIT REQUIRED. The owner or operator of a  
32 well located in the district must obtain a permit from the board  
33 before:

34 (1) drilling, equipping, or completing the well;

35 (2) substantially altering the size of the well or a  
36 well pump; or

37 (3) operating the well. (Water Code, Secs.  
38 151.002(4), 151.121.)

39 Source Law

40 [Sec. 151.002]

41 (4) "Drill" means drilling, equipping, or

1 completing wells or substantially altering the size of  
2 wells or well pumps.

3 Sec. 151.121. PERMIT REQUIREMENT. Before a  
4 well may be drilled or operated within the boundaries  
5 of the district the owner or operator of the well must  
6 obtain a permit from the board.

7 Revised Law

8 Sec. 8801.156. APPLICATION FOR PERMIT. (a) A person must  
9 submit an application to the board to obtain a permit under this  
10 chapter.

11 (b) The application must state:

12 (1) the name and address of the person requesting the  
13 permit;

14 (2) the location and wellhead elevation of the well or  
15 proposed well;

16 (3) the amount of water being withdrawn or proposed to  
17 be withdrawn; and

18 (4) any other information necessary for the board to  
19 control and prevent subsidence in the district.

20 (c) The board shall set a reasonable fee for processing an  
21 application. The application must be accompanied by the fee.  
22 (Water Code, Sec. 151.124.)

23 Source Law

24 Sec. 151.124. APPLICATION FOR PERMIT. (a) A  
25 person who desires to obtain a permit under this  
26 chapter shall submit to the board an application.

27 (b) The application must state:

28 (1) the name of the person requesting the  
29 permit;

30 (2) the address of the person requesting  
31 the permit;

32 (3) the location and wellhead elevation of  
33 the well or proposed well;

34 (4) the amount of water being produced or  
35 proposed to be produced; and

36 (5) any other information necessary for  
37 the board to control and prevent subsidence in the  
38 district.

39 (c) The application shall be accompanied by a  
40 reasonable application fee to be used for processing  
41 the application, the amount of which shall be set by  
42 the board.

43 Revised Law

44 Sec. 8801.157. NOTICE AND HEARING ON PERMIT. (a) On  
45 receiving an application for a permit, the board shall issue notice

1 and set a time for a hearing on the application.

2 (b) The board must give notice of the date, time, and  
3 location of the hearing to the applicant by certified mail, return  
4 receipt requested.

5 (c) The board may consider as many applications for permits  
6 as necessary at a hearing. (Water Code, Sec. 151.125.)

7 Source Law

8 Sec. 151.125. NOTICE AND HEARING ON PERMIT. (a)  
9 On receiving an application for a permit, the board  
10 shall issue notice and set a time for a hearing on the  
11 application.

12 (b) Notice of the date, time, and location of  
13 the hearing shall be given by the board to the  
14 applicant by certified mail, return receipt requested,  
15 and in accordance with Chapter 551, Government Code.

16 (c) The board may consider as many applications  
17 for permits as it thinks necessary at any one hearing.

18 Revisor's Note

19 Section 151.125(b), Water Code, requires the  
20 board to give notice of a hearing "in accordance with  
21 Chapter 551, Government Code." The revised law omits  
22 that requirement as unnecessary because Section  
23 151.072(a), Water Code, which is revised in part as  
24 Section 8801.110(a) of this chapter, requires the  
25 board to give all hearing notices in accordance with  
26 Chapter 551, Government Code, and it is not necessary  
27 to repeat that requirement in this section.

28 Revised Law

29 Sec. 8801.158. ISSUANCE OF PERMIT. (a) Within a reasonable  
30 period after a permit hearing under Section 8801.157, but not later  
31 than the 60th day after the date of the hearing, the board shall:

32 (1) decide whether to issue the permit; and

33 (2) set the terms of the permit if it decides to issue  
34 the permit.

35 (b) In deciding whether to issue a permit and in setting the  
36 terms of the permit, the board shall consider:

37 (1) the purpose of this chapter;

38 (2) the district plan;

1 (3) the quality, quantity, and availability of surface  
2 water at prices that are competitive with prices charged by  
3 suppliers of surface water in the district;

4 (4) the economic impact on the applicant of a decision  
5 to issue or deny the permit, or of the permit terms, in relation to  
6 the effect on subsidence that would result;

7 (5) the applicant's use of water conservation  
8 measures; and

9 (6) all other relevant factors.

10 (c) The board shall issue a permit to an applicant if, on  
11 presentation of adequate proof, the board finds that:

12 (1) there is no other adequate and available  
13 substitute or supplemental source of surface water at prices  
14 competitive with the prices charged by suppliers of surface water  
15 in the district; and

16 (2) compliance with any provision of this chapter or  
17 any district rule will result in an arbitrary taking of property or  
18 in the practical closing and elimination of a lawful business,  
19 occupation, or activity without sufficient corresponding benefit  
20 or advantage to the public.

21 (d) The permit must state the terms prescribed by the board.  
22 The permit must include:

23 (1) the name and address of the person to whom the  
24 permit is issued;

25 (2) the location of the well;

26 (3) the date the permit expires;

27 (4) conditions and restrictions placed on groundwater  
28 withdrawal; and

29 (5) other terms necessary to control and prevent  
30 subsidence. (Water Code, Secs. 151.126(a), (b), (c), (d), (e).)

31 Source Law

32 Sec. 151.126. DECISION AND ISSUANCE OF A  
33 PERMIT. (a) Within a reasonable period after the  
34 hearing, but not later than the 60th day after the date  
35 of the hearing, the board shall decide whether or not  
36 to issue a permit and, if the decision is to issue the

1 permit, shall formulate the terms of the permit.

2 (b) In deciding whether or not to issue a permit  
3 and in setting the terms of the permit, the board shall  
4 consider, along with the purpose of this chapter and  
5 all other relevant factors:

6 (1) the district plan;

7 (2) the quality, quantity, and  
8 availability of surface water at prices competitive  
9 with those charged by suppliers of surface water in the  
10 district;

11 (3) the economic impact on the applicant  
12 from grant or denial of the permit, or the terms  
13 prescribed by a permit, in relation to the effect on  
14 subsidence that would result; and

15 (4) the applicant's use of water  
16 conservation measures.

17 (c) The board shall grant a permit to an  
18 applicant if the board finds, on presentation of  
19 adequate proof, that there is no other adequate and  
20 available substitute or supplemental source of surface  
21 waters at prices competitive with those charged by  
22 suppliers of surface water in the district and that  
23 compliance with any provision of this chapter or any  
24 district rule will result in an arbitrary taking of  
25 property or in the practical closing and elimination  
26 of any lawful business, occupation, or activity  
27 without sufficient corresponding benefit or advantage  
28 to the people.

29 (d) If the board decides to issue the permit,  
30 the permit shall be issued to the applicant stating the  
31 terms prescribed by the board.

32 (e) The permit shall include:

33 (1) the name and address of the person to  
34 whom the permit is issued;

35 (2) the location of the well;

36 (3) the date the permit is to expire;

37 (4) conditions and restrictions placed on  
38 the withdrawal of groundwater; and

39 (5) other terms and conditions necessary  
40 to control and prevent subsidence.

#### 41 Revisor's Note

42 Section 151.126(e)(5), Water Code, refers to  
43 certain "terms and conditions." The revised law omits  
44 the reference to "conditions" because, in context, the  
45 meaning of "conditions" is included in the meaning of  
46 "terms."

#### 47 Revised Law

48 Sec. 8801.159. TERM OF PERMIT. (a) A permit issued under  
49 this chapter may be for a term not to exceed five years as set by the  
50 board.

51 (b) A permit does not become a vested right of the permit  
52 holder. The board may revoke or suspend a permit or amend its terms  
53 after notice and hearing when reasonably necessary to accomplish  
54 the purpose of this chapter. (Water Code, Sec. 151.122.)

1 Source Law

2 Sec. 151.122. TERM OF PERMIT. (a) A permit  
3 issued under this chapter may be for a term of up to  
4 five years as set by the board.

5 (b) A permit does not become a vested right in  
6 the holder. A permit may be revoked or suspended or  
7 its terms may be modified or amended after notice and  
8 hearing whenever reasonably necessary to accomplish  
9 the purposes of this chapter.

10 Revisor's Note

11 Section 151.122(b), Water Code, provides that the  
12 terms of a permit may be "modified or amended." The  
13 revised law omits the reference to "modified" because,  
14 in context, the meaning of that term is included in the  
15 meaning of "amended."

16 Revised Law

17 Sec. 8801.160. RENEWAL OF PERMIT. The board may renew a  
18 permit for a well in the manner provided for obtaining the original  
19 permit. (Water Code, Sec. 151.123.)

20 Source Law

21 Sec. 151.123. RENEWAL OF PERMIT. A permit for a  
22 well may be renewed by the board in the manner provided  
23 for obtaining the original permit.

24 Revised Law

25 Sec. 8801.161. PERMIT FEES. (a) When the board issues or  
26 renews a permit, the board shall collect a permit fee from the  
27 applicant. The fee shall be determined by a schedule based on the  
28 term of the permit and the maximum annual amount of groundwater that  
29 the board authorizes to be withdrawn from the well.

30 (b) The board shall determine the amount of a permit fee  
31 after a hearing. The fee may not exceed 110 percent of the highest  
32 rate that the City of Houston charges for surface water supplied to  
33 its customers in the district.

34 (c) The amount of a permit fee applicable to a well used for  
35 irrigating agricultural crops is the lowest of:

36 (1) 70 percent of the lowest amount determined under  
37 Subsection (b);

38 (2) 70 percent of a base amount of one cent for each

1 thousand gallons authorized to be withdrawn, except that the board  
2 may adjust the base amount annually to account for increases since  
3 1992 in the most recently published Consumer Price Index for All  
4 Urban Consumers, All Items (Houston, Texas, Average), as compiled  
5 by the Bureau of Labor Statistics, United States Department of  
6 Labor; or

7 (3) the amount determined in accordance with  
8 Subsection (d).

9 (d) At a hearing, the board shall calculate and express as a  
10 percentage the relative contribution to subsidence by wells used  
11 for irrigating agricultural crops and wells used for other  
12 purposes. The board shall use information prepared by the United  
13 States Geological Survey, which is presumed to be correct. The  
14 permit fee for wells used for irrigating agricultural crops must be  
15 such that the percentage of total permit fee revenue that permit fee  
16 revenue from those wells represents equals the percentage that  
17 agricultural use contributes to subsidence.

18 (e) The board shall use permit fees collected under this  
19 section to pay the cost of issuing permits and performing other  
20 regulatory functions. (Water Code, Sec. 151.128.)

21 Source Law

22 Sec. 151.128. PERMIT FEE. (a) At the time of  
23 issuance or renewal of a permit, the board shall  
24 collect from the applicant a permit fee, established  
25 by a schedule based on the term of the permit and the  
26 maximum annual amount of groundwater authorized by the  
27 board to be withdrawn from the well.

28 (b) The rate of the fee to be collected by the  
29 board under this section shall be determined by the  
30 board after a hearing. The rate of the fee may not  
31 exceed 110 percent of the highest rate charged by the  
32 city of Houston for surface water supplied to its  
33 customers in the district.

34 (c) The rate of the permit fee applicable to any  
35 well used for the irrigation of agricultural crops  
36 shall be the lowest of:

37 (1) 70 percent of the lowest rate  
38 established under Subsection (b) of this section;

39 (2) 70 percent of one cent for each  
40 thousand gallons authorized to be withdrawn, provided  
41 that the board may adjust the one cent for each  
42 thousand gallons each year after 1992 to account for  
43 increases, if any, in the most recently published  
44 Consumer Price Index for All Urban Consumers (Houston,  
45 Texas, Average), as determined by the United States  
46 Department of Labor, Bureau of Labor Statistics, for

1 All Items; or

2 (3) the rate established in accordance  
3 with Subsection (d) of this section.

4 (d) Using information prepared by the United  
5 States Geological Survey, which shall be presumed  
6 correct, the board, at a hearing held in accordance  
7 with Section 151.072 of this code, shall calculate and  
8 determine the difference between water wells pumped  
9 for irrigation of agricultural crops and water wells  
10 pumped for other purposes in terms of their relative  
11 contribution to subsidence, expressed as a percentage.  
12 The rate of the fee for wells used for irrigation of  
13 agricultural crops shall be sufficient for the total  
14 of those fees to contribute to the fee revenue of the  
15 district the same percentage as the agricultural use  
16 contributes to subsidence.

17 (e) The funds obtained from the permit fees  
18 collected under this section shall be used to cover the  
19 costs of the board in issuing permits and performing  
20 other regulatory functions of the district.

21 Revisor's Note

22 (1) Section 151.128(d), Water Code, refers to a  
23 hearing "held in accordance with Section 151.072 of  
24 this code." The revised law omits the quoted language  
25 as unnecessary because Section 151.072, Water Code,  
26 which is revised in this chapter as Sections 8801.109  
27 and 8801.110, requires all board hearings to be  
28 conducted in accordance with those sections, and it is  
29 not necessary to repeat that requirement in this  
30 section.

31 (2) Section 151.128(d), Water Code, refers to  
32 "water wells." The revised law omits the reference to  
33 "water" as unnecessary because Section 151.002(9),  
34 Water Code, which is revised in this chapter as Section  
35 8801.001(7), defines "well" as "a facility, device, or  
36 method used to withdraw groundwater."

37 Revised Law

38 Sec. 8801.162. ANNUAL REPORT. Before January 31 each year,  
39 a well owner who holds a permit under this chapter shall submit to  
40 the board a report stating:

41 (1) the well owner's name;

42 (2) the total amount of groundwater withdrawn from the  
43 well during the preceding 12-month period;

44 (3) the total amount of groundwater withdrawn from the

1 well during each month of the preceding 12-month period;

2 (4) the purpose for which the groundwater was used;  
3 and

4 (5) any other information the board considers  
5 necessary. (Water Code, Sec. 151.127.)

6 Source Law

7 Sec. 151.127. ANNUAL REPORTS. Before January  
8 31 of each year, each owner of a well who holds a permit  
9 under this chapter shall submit to the board a report  
10 stating:

- 11 (1) the name of the owner of the well;  
12 (2) the total amount of groundwater  
13 produced by the well during the immediately preceding  
14 12-month period;  
15 (3) the total amount of groundwater  
16 produced by the well during each separate month of the  
17 immediately preceding 12-month period;  
18 (4) the purpose for which the groundwater  
19 was used; and  
20 (5) any other information considered  
21 necessary by the board.

22 Revisor's Note

23 Section 151.127, Water Code, refers to "the  
24 immediately preceding 12-month period." The revised  
25 law omits "immediately" for the reason stated in the  
26 revisor's note to Section 8801.117.

27 Revised Law

28 Sec. 8801.163. CONVERSION TO SURFACE WATER. (a) In this  
29 section, "alternative water supply" means a water supply that a  
30 person needs to acquire from sources other than the person's own  
31 groundwater supply to comply with a board order issued under this  
32 section.

33 (b) The board may issue an order requiring a person to  
34 completely or partially discontinue the use of groundwater only if  
35 the person is able to acquire a water supply composed of surface  
36 water needed to replace the water supply covered by the order.

37 (c) A notice of public hearing must inform a person when the  
38 board will consider an order to convert to surface water.

39 (d) In addition to the percentage of groundwater that a  
40 board order authorizes a person to use, the person may use in the  
41 current permit year a percentage of groundwater that is equal to the

1 percentage result of multiplying the annual average percentage of  
2 groundwater, as determined under Section 8801.164(d), delivered to  
3 the person during the preceding permit year by the total percentage  
4 of alternative water supply required by the board's order for the  
5 current year.

6 (e) This section does not limit the board's authority to  
7 issue an order or adopt a rule requiring a person to reduce  
8 groundwater use by eliminating waste or implementing water  
9 conservation. (Water Code, Secs. 151.129(a), (d) (part), (f),  
10 151.163(a) (part).)

#### 11 Source Law

12 Sec. 151.129. LIMITATIONS ON CONVERSION TO  
13 SURFACE WATER. (a) The board may not issue an order  
14 requiring a person to completely or partially  
15 discontinue the use of groundwater unless the person  
16 is able to acquire a water supply that is composed of  
17 surface water needed to replace the water supply  
18 covered by the order. This section does not limit the  
19 board's authority to issue orders and rules requiring a  
20 person to reduce groundwater use by eliminating waste  
21 or implementing water conservation.

22 (d) . . . In addition to the percentage of  
23 groundwater authorized to be used by the board's order,  
24 the person may use in the current permit year an  
25 additional percentage of groundwater that is equal to  
26 a percentage derived by multiplying the annual average  
27 percentage of groundwater delivered to that person  
28 during the preceding permit year by the total  
29 percentage of alternative water supply mandated by the  
30 board's order for the current year.

31 (f) In this section, "alternative water supply"  
32 means a water supply that it is necessary for the  
33 person to acquire from sources other than the person's  
34 own groundwater supply to comply with the board's  
35 order.

36 [Sec. 151.163]

37 (a) . . . A person shall be informed in the  
38 notice of public hearing when an order to convert to  
39 surface water is to be considered.

#### 40 Revised Law

41 Sec. 8801.164. MONITORING OF ALTERNATIVE WATER SUPPLY. (a)  
42 In this section, "alternative water supply" has the meaning  
43 assigned by Section 8801.163.

44 (b) If a person who is issued an order under Section  
45 8801.163 acquires an alternative water supply and files with the  
46 commission a written request for monitoring the supply, the

1 commission shall monitor annually the water delivered to the person  
2 from the date of the request to the expiration of the annual permit  
3 to determine the percentage of the water that is surface water and  
4 the percentage that is groundwater.

5 (c) If required under Subsection (b) to monitor water  
6 deliveries, the commission shall monitor the deliveries at random  
7 times at all points of connection between the purchaser's and  
8 seller's water systems. Samples taken through monitoring must be  
9 analyzed by water chemists employed by or contracting with the  
10 commission. The water chemist making each analysis shall issue a  
11 certified written analysis of the percentages of surface water and  
12 groundwater included in the sample.

13 (d) Not later than the 15th day after the last day of each  
14 permit year, the commission shall issue a certified written  
15 analysis based on all samples collected that states the annual  
16 average percentages of surface water and groundwater that the  
17 seller provided to the purchaser for the permit year.

18 (e) The commission shall make results of an analysis under  
19 this section available on request to the purchaser, seller, or  
20 board.

21 (f) The commission shall assess reasonable fees to cover the  
22 costs of water sampling and analysis under this section. The  
23 commission shall assess one-half of the fees to the purchaser and  
24 one-half to the seller. (Water Code, Secs. 151.129(b), (c), (d)  
25 (part), (e).)

26 Source Law

27 (b) If the person covered by an order under this  
28 section acquires an alternative water supply to  
29 fulfill the needs created by the board's order under  
30 this section and files with the commission a written  
31 request for monitoring of the alternative supply, the  
32 commission shall monitor annually from the date of  
33 request to the expiration of the annual permit the  
34 water delivered to the person covered by the order to  
35 determine the percentage of that water that is surface  
36 water and the percentage of that water that is  
37 groundwater.

38 (c) The water deliveries must be monitored at  
39 random times at all points of connection between the  
40 purchaser's and seller's water systems. Samples taken  
41 through monitoring must be analyzed by water chemists

1 employed by or contracting with the commission. The  
2 water chemist making each analysis shall issue a  
3 certified written analysis of the percentages of  
4 surface water and groundwater included in the sample.

5 (d) Not later than the 15th day after the last  
6 day of each permit year, the commission shall issue an  
7 annual certified written analysis based on all of the  
8 samples collected that will state the annual average  
9 percentage of surface water and the annual average  
10 percentage of groundwater provided to the purchaser by  
11 the seller for that permit year. . . .

12 (e) The commission shall assess reasonable fees  
13 to cover the costs of the water sampling and analysis,  
14 one-half to the water purchaser and one-half to the  
15 water seller. On request, the commission shall make  
16 results of the analysis available to the purchaser,  
17 the seller, or the board.

18 Revisor's Note

19 Section 151.129(b), Water Code, refers to an  
20 alternative water supply acquired "to fulfill the  
21 needs created by the board's order under this section."  
22 The revised law omits the quoted language as  
23 redundant, because Section 151.129(f), Water Code  
24 (revised in this chapter as Section 8801.163(a)),  
25 defines "alternative water supply" as a water supply  
26 "that it is necessary for the person to acquire . . .  
27 to comply with the board's order."

28 [Sections 8801.165-8801.200 reserved for expansion]

29 SUBCHAPTER E. APPEAL AND ENFORCEMENT PROVISIONS

30 Revised Law

31 Sec. 8801.201. APPEAL OF SURFACE WATER RATES. (a) A person  
32 who is required to convert to surface water under this chapter and  
33 who purchases that water supply wholesale from a political  
34 subdivision as defined by Section 12.013(b), Water Code, may appeal  
35 to the commission the rates the political subdivision charges to  
36 the person. Chapter 12, Water Code, and rules adopted under that  
37 chapter apply to an appeal under this section.

38 (b) The commission shall hear the appeal not later than the  
39 180th day after the date the appeal is filed.

40 (c) The commission shall issue a final decision on the  
41 appeal not later than the 60th day after the date the hearing ends.  
42 (Water Code, Sec. 151.161.)

1 Source Law

2 Sec. 151.161. APPEAL OF SURFACE WATER RATES. If  
3 a person required to convert to surface water  
4 purchases that water supply wholesale from a political  
5 subdivision as defined by Section 12.013(b) of this  
6 code, the rates charged by the political subdivision  
7 to that person may be appealed to the commission under  
8 Chapter 12 of this code, and the rules adopted under  
9 that chapter apply to appeals under this section. The  
10 commission shall convene the hearing on the appeal not  
11 later than the 180th day after the date on which the  
12 appeal is filed with the commission and shall render a  
13 final decision on the appeal not later than the 60th  
14 day following the date on which the hearing ends.

15 Revised Law

16 Sec. 8801.202. APPEAL OF DISTRICT ACTIONS. (a) A person  
17 who is adversely affected by a rule, order, or other official action  
18 of the district under this chapter, including a person residing in  
19 or owning real property in the district whose residence or real  
20 property is subsiding, may appeal the action in a district court in  
21 any county in the district. An appeal under this section must be  
22 filed not later than the 45th day after the date the action is  
23 taken.

24 (b) On a written request from a person residing in or owning  
25 real property in the district, the board shall make written  
26 findings and conclusions regarding a rule, order, or other official  
27 action of the district. The board shall provide certified copies of  
28 those findings and conclusions to the person not later than the 35th  
29 day after the date the board receives the request.

30 (c) An appeal under this section is governed by the  
31 substantial evidence rule as provided by Subchapter G, Chapter  
32 2001, Government Code. (Water Code, Sec. 151.162.)

33 Source Law

34 Sec. 151.162. APPEAL OF DISTRICT ACTIONS. (a)  
35 A rule, order, or other official action of the district  
36 under this chapter may be appealed to a district court  
37 in any county in the district by a person who is  
38 adversely affected. An appeal under this section must  
39 be filed within 45 days after the rule, order, or other  
40 official action appealed from is adopted or taken.

41 (b) On written request of a person residing in  
42 or owning real property in the district, the board  
43 shall make written findings and conclusions with  
44 respect to a rule, order, or other official action of  
45 the district and provide certified copies of those  
46 findings and conclusions to the requesting person not  
47 later than the 35th day after the date on which the

1 board received the written request.

2 (c) The review on appeal under this section is  
3 governed by the substantial evidence rule as defined  
4 by Subchapter G, Chapter 2001, Government Code.

5 (d) For purposes of this section, "a person who  
6 is adversely affected" includes a person residing in  
7 or owning real property in the district whose  
8 residence or real property is subsiding.

9 Revised Law

10 Sec. 8801.203. ALTERNATIVE APPEAL OF CERTAIN DISTRICT  
11 ACTIONS TO COMMISSION. (a) As an alternative to the appeal  
12 procedure provided by Section 8801.202, a person who is granted a  
13 permit authorizing groundwater withdrawal in an amount less than  
14 the person requested may appeal the board's final decision to the  
15 commission. The person must file the appeal not later than the 60th  
16 day after the date the board issues its final order.

17 (b) On a written request from a person proposing to appeal  
18 an order under this section, the board shall make written findings  
19 and conclusions regarding the order. The board shall provide  
20 certified copies of the findings and conclusions to the person not  
21 later than the 35th day after the date the board receives the  
22 request.

23 (c) The effect of a board order is stayed until the  
24 commission's decision on an appeal under this section is final.

25 (d) An appeal to the commission under this section is  
26 governed by the substantial evidence rule as provided by Subchapter  
27 G, Chapter 2001, Government Code.

28 (e) The commission may:

29 (1) adopt rules necessary to implement this section;  
30 and

31 (2) adopt and assess reasonable and necessary fees  
32 adequate to recover the commission's costs in administering this  
33 section.

34 (f) An appeal of a final commission decision is to a  
35 district court in Travis County. The appeal shall be under the  
36 substantial evidence rule. A party appealing a decision of the  
37 district court is not required to provide an appeal bond. (Water  
38 Code, Secs. 151.163(a) (part), (b), (c), (d), (e), (f) (part), (g),

1 (h).)

2 Source Law

3 Sec. 151.163. APPEAL OF CERTAIN DISTRICT  
4 ACTIONS TO THE COMMISSION. (a) As an alternative to  
5 the appeal provided in Section 151.162 of this code, a  
6 person who is granted a permit authorizing withdrawal  
7 of groundwater in an amount less than requested by that  
8 person may appeal the board's final decision to the  
9 commission. The appeal shall be filed not later than  
10 the 60th day after the date on which the board issues  
11 its final order. . . .

12 (b) On written request of the person proposing  
13 to appeal an order under this section, the board shall  
14 make written findings and conclusions with respect to  
15 the order and shall provide certified copies of the  
16 findings and conclusions to the requesting person not  
17 later than the 35th day after the date on which the  
18 board received the written request.

19 (c) The effect of a board order is stayed until  
20 the decision of the commission in an appeal under this  
21 section is final.

22 (d) The review on appeal by the commission under  
23 this section is governed by the substantial evidence  
24 rule as defined by Subchapter G, Chapter 2001,  
25 Government Code.

26 (e) The commission may adopt necessary rules to  
27 carry out this section.

28 (f) An appeal from a final decision of the  
29 commission is to a district court in Travis County.  
30 [Any party to the proceedings before the commission  
31 may appeal a decision of the district court in the  
32 manner provided for other civil actions, but] a party  
33 appealing a decision of a district court is not  
34 required to provide an appeal bond.

35 (g) The review of a commission order on appeal  
36 shall be under the substantial evidence rule.

37 (h) Under this section, the commission may adopt  
38 and assess reasonable and necessary fees adequate to  
39 recover the costs of the commission in administering  
40 this section.

41 Revisor's Note

42 Section 151.163(f), Water Code, provides in part  
43 that a party to a proceeding before the commission may  
44 appeal a district court decision reviewing the  
45 proceeding in the manner provided for other civil  
46 actions. The revised law omits that provision as  
47 unnecessary because the district court's review is a  
48 civil action and may be appealed without an explicit  
49 statement to that effect. The omitted law reads:

50 (f) . . . Any party to the  
51 proceedings before the commission may  
52 appeal a decision of the district court in  
53 the manner provided for other civil  
54 actions, but . . . .

1 Revised Law

2 Sec. 8801.204. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) If it  
3 appears that a person has violated or is violating or threatening to  
4 violate this chapter or a rule, permit, or other order of the  
5 district issued or adopted under this chapter, the district may  
6 institute an action in a district court in the district for:

7 (1) injunctive relief to restrain the person from  
8 continuing the violation or threat of violation;

9 (2) the assessment and recovery of a civil penalty of  
10 not less than \$50 and not more than \$5,000 for each violation and  
11 for each day of a continuing violation; or

12 (3) both injunctive relief and civil penalties.

13 (b) On application for injunctive relief and a finding that  
14 a person is violating or threatening to violate this chapter or a  
15 rule, permit, or other order of the district under this chapter, the  
16 district court shall grant injunctive relief as the facts warrant.

17 (c) At the request of the board, or the general manager if  
18 authorized by the board, the attorney general shall institute and  
19 conduct an action in the name of the district for injunctive relief  
20 or to recover a civil penalty, or both.

21 (d) The district is not required to post a bond or other  
22 security with the court. (Water Code, Sec. 151.164.)

23 Source Law

24 Sec. 151.164. PENALTIES. (a) If it appears  
25 that a person has violated or is violating or  
26 threatening to violate this chapter, or any rule,  
27 permit, or other order of the district issued or  
28 adopted under this chapter, the district may file a  
29 civil suit in a district court in the district for:

30 (1) injunctive relief to restrain the  
31 person from continuing the violation or threat of  
32 violation;

33 (2) the assessment and recovery of a civil  
34 penalty of not less than \$50 nor more than \$5,000 for  
35 each violation and for each day of violation; or

36 (3) both injunctive relief and civil  
37 penalties.

38 (b) On application for injunctive relief and a  
39 finding that a person is violating or threatening to  
40 violate a provision of this chapter or a rule, permit,  
41 or other order of the district under this chapter, the  
42 district court shall grant any injunctive relief the  
43 facts warrant.

44 (c) At the request of the board, or the general

1 manager if authorized by the board, the attorney  
2 general shall institute and conduct a suit in the name  
3 of the district for injunctive relief or to recover a  
4 civil penalty or for both injunctive relief and  
5 penalty as authorized by this section.

6 (d) The district is not required to post bond or  
7 other security with the court.

8 Revisor's Note  
9 (End of Chapter)

10 Section 151.037(a), Water Code, provides that the  
11 district may sue and be sued in the name of the  
12 district. Section 151.037(c), Water Code, requires a  
13 court to take judicial notice of the district. The  
14 revised law omits those provisions as unnecessary  
15 because together they duplicate Section 36.066(a),  
16 Water Code, applicable to the district under Section  
17 151.005(a), Water Code (revised in this chapter as  
18 Section 8801.101(a)), and under Section 36.001, Water  
19 Code. The omitted law reads:

20 Sec. 151.037. SUITS. (a) The  
21 district may sue and be sued in the courts  
22 of this state in the name of the district by  
23 and through the board.

24 (c) All courts shall take judicial  
25 notice of the creation of the district and  
26 of its boundaries.

27 [Chapters 8802-9000 reserved for expansion]

28 SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

29 [Chapters 9001 and 9002 reserved for expansion]

30 CHAPTER 9003. AQUILLA-HACKBERRY CREEK

31 CONSERVATION DISTRICT

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25 CHAPTER 9003. AQUILLA-HACKBERRY CREEK CONSERVATION DISTRICT

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Revised Law

28 Sec. 9003.001. DEFINITIONS. In this chapter:

29 (1) "Board" means the board of directors of the

30 district.

31 (2) "District" means the Aquilla-Hackberry Creek

32 Conservation District. (V.A.C.S. Art. 8280-222, Sec. 1 (part);

33 New.)

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Source Law

Sec. 1. . . . "Aquilla-Hackberry Creek Conservation District," (hereinafter referred to as "District"), . . . .

Revisor's Note

The definition of "board" is added to the revised law for drafting convenience and to eliminate frequent, unnecessary repetition of the substance of the definition.

Revised Law

Sec. 9003.002. NATURE OF DISTRICT. The district is a conservation and reclamation district and a political subdivision created under Section 59, Article XVI, Texas Constitution. (V.A.C.S. Art. 8280-222, Sec. 1 (part).)

Source Law

Sec. 1. Pursuant to and as expressly authorized by Section 59, Article XVI of the Constitution of the State of Texas, and in addition to all other districts into which the State has been divided heretofore, there is hereby created a conservation and reclamation district to be known as "Aquilla-Hackberry Creek Conservation District," . . . which shall be recognized to be a governmental agency, a body politic and corporate, and a political subdivision of this State.

Revisor's Note

(1) Section 1, V.A.C.S. Article 8280-222, states that the district is created "in addition to all other districts into which the State has been divided heretofore." The revised law omits the quoted language as unnecessary because the absence of the language does not imply that the legislature could create a district outside its jurisdiction or that the district is not in addition to any other districts.

(2) Section 1, V.A.C.S. Article 8280-222, provides that the Aquilla-Hackberry Creek Conservation District is "a conservation and reclamation district . . . which shall be recognized to be a governmental agency, a body politic and

1 corporate." The revised law omits the references to  
2 "governmental agency" and "body politic and corporate"  
3 because they duplicate a portion of Section 59(b),  
4 Article XVI, Texas Constitution, which provides that a  
5 conservation and reclamation district is a  
6 governmental agency and a body politic and corporate.  
7 The policy of the legislative council's statutory  
8 revision program is to omit from the revised codes the  
9 duplicating statutory provisions because a statute  
10 that tracks the language of the constitution not only  
11 is superfluous but may foster the erroneous belief  
12 that a constitutional requirement is merely statutory  
13 and subject to amendment through the ordinary  
14 legislative process.

15 Revised Law

16 Sec. 9003.003. LEGISLATIVE DECLARATION AND FINDINGS.

17 (a) The legislature declares that:

18 (1) the district is essential to accomplish the  
19 purposes of Section 59, Article XVI, Texas Constitution; and

20 (2) this chapter addresses a subject in which the  
21 state and general public are interested.

22 (b) The legislature finds that:

23 (1) all land included in the district will be  
24 benefited; and

25 (2) the district is created to serve a public use and  
26 benefit. (V.A.C.S. Art. 8280-222, Secs. 3 (part), 10 (part).)

27 Source Law

28 Sec. 3. [The District] hereby created and  
29 established . . . .

30 It being hereby found and determined that all of  
31 the land included within the boundaries of the  
32 District will be benefited and that the District is  
33 created to serve a public use and benefit, . . . .

34 Sec. 10. . . . The Legislature hereby declares  
35 . . . that the District herein created is essential to  
36 the accomplishment of such purposes and that this Act  
37 therefore operates on a subject in which the State and  
38 the public at large are interested. . . .

1 Revisor's Note

2 (1) Section 3, V.A.C.S. Article 8280-222,  
3 refers to the district "hereby created and  
4 established." The revised law omits the quoted  
5 language as executed.

6 (2) Section 3, V.A.C.S. Article 8280-222,  
7 states that it is unnecessary for the board to hold a  
8 confirmation election or a hearing to exclude land or  
9 to adopt a tax plan. The provision is a transition  
10 provision clarifying procedures relative to the  
11 creation of the district, and the revised law  
12 therefore omits it as executed. The omitted law reads:

13 Sec. 3. . . . it shall not be  
14 necessary for the Board of Directors to call  
15 a confirmation election or to hold a hearing  
16 on the exclusion of lands or a hearing on  
17 the adoption of a plan of taxation, but  
18 . . . .

19 (3) Section 10, V.A.C.S. Article 8280-222,  
20 contains a legislative declaration of a constitutional  
21 "duty" to enact Article 8280-222 as law. The revised  
22 law omits the declaration by the legislature as  
23 executed and because it has no substantive effect. The  
24 omitted law reads:

25 Sec. 10. [The Legislature hereby  
26 declares] that the enactment hereof is in  
27 fulfillment of a duty conferred upon it by  
28 Section 59 of Article XVI of the  
29 Constitution of Texas wherein it is  
30 required to pass such laws as may be  
31 appropriate in the preservation and  
32 conservation of the natural resources of  
33 the State; . . . .

34 Revised Law

35 Sec. 9003.004. DISTRICT TERRITORY. The district is  
36 composed of the territory described by Section 3, Chapter 183, Acts  
37 of the 56th Legislature, Regular Session, 1959 (Article 8280-222,  
38 Vernon's Texas Civil Statutes), as that territory may have been  
39 modified under:

40 (1) Subchapter O, Chapter 51, Water Code, before

1 September 1, 1995;

2 (2) Subchapter J, Chapter 49, Water Code; or

3 (3) other law. (New.)

4 Revisor's Note

5 The revision of the law governing the  
6 Aquilla-Hackberry Creek Conservation District does  
7 not revise the statutory language describing the  
8 territory of the district to avoid the lengthy  
9 recitation of the description and because that  
10 description may not be accurate on the effective date  
11 of the revision or at the time of a later reading. For  
12 the reader's convenience, the revised law includes a  
13 reference to the statutory description of the  
14 district's territory and references to statutory  
15 authority to change the district's territory under  
16 Subchapter O, Chapter 51, Water Code, and under  
17 Subchapter J, Chapter 49, Water Code. The revised law  
18 also includes a reference to the general authority of  
19 the legislature to enact other laws to change the  
20 district's territory.

21 Revised Law

22 Sec. 9003.005. LIBERAL CONSTRUCTION OF CHAPTER. This  
23 chapter shall be liberally construed to accomplish its purposes.  
24 (V.A.C.S. Art. 8280-222, Sec. 10 (part).)

25 Source Law

26 Sec. 10. . . . All the terms and provisions of  
27 the Act are to be liberally construed to effectuate the  
28 purposes herein set forth.

29 [Sections 9003.006-9003.050 reserved for expansion]

30 SUBCHAPTER B. ADMINISTRATION

31 Revised Law

32 Sec. 9003.051. BOARD. The board consists of five  
33 directors. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

34 Source Law

35 (a) . . . a Board of five (5) Directors. . . .

1 Revisor's Note

2 Section 4(a), V.A.C.S. Article 8280-222 (enacted  
3 in 1959), provides that directors serve the term of  
4 office provided in that article, Section 4(c) of which  
5 effectively establishes a two-year term of office (see  
6 Revisor's Note (2) to Section 9003.054). The revised  
7 law omits the provision because Section 49.103(a),  
8 Water Code, enacted in 1995 and applicable to the  
9 district under Sections 49.001(a), 49.002, and  
10 49.103(e), Water Code, now provides for a four-year  
11 term of office. The revised law omits the reference to  
12 a director serving until a successor is elected or  
13 appointed and qualified because, under Section 17,  
14 Article XVI, Texas Constitution, an officer in the  
15 state is to continue to perform the officer's official  
16 duties until a successor has qualified. The omitted  
17 law reads:

18 (a) . . . Each director shall serve  
19 for his term of office as herein provided  
20 and thereafter until his successor shall be  
21 elected or appointed and qualified. . . .

22 Revised Law

23 Sec. 9003.052. QUALIFICATIONS FOR OFFICE. A director of  
24 the district must be:

- 25 (1) at least 21 years of age;  
26 (2) a resident of the state; and  
27 (3) the owner of taxable property in the district.

28 (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

29 Source Law

30 (a) . . . No person shall be a director unless  
31 he shall be at least twenty-one (21) years of age, a  
32 citizen of the State of Texas, and the owner of taxable  
33 property within the area of the District. . . .

34 Revised Law

35 Sec. 9003.053. BOND. Each director shall make bond in the  
36 amount of \$5,000 for the faithful performance of the director's  
37 duties. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)



1 required the general election for officers of a  
2 political subdivision to be held on a date other than a  
3 uniform election date, the governing body was required  
4 to set future election dates to comply with the  
5 Election Code. Section 49.103, Water Code, enacted in  
6 1995 and by its own terms applicable to the district,  
7 provided that elections were to be held on the uniform  
8 election date established by the Election Code in  
9 January or May. The Election Code was subsequently  
10 amended in 2001 to provide for a uniform election date  
11 in February, May, September, or November. Therefore,  
12 the revised law omits the quoted language as impliedly  
13 repealed. The revised law also omits as executed the  
14 reference to elections "beginning in 1960."

15 (2) Section 4(c), V.A.C.S. Article 8280-222,  
16 states that directors elections shall be held "as  
17 herein provided" and provides that "[t]wo (2)  
18 Directors shall be elected in each even numbered year  
19 and three (3) in each odd numbered year." The revised  
20 law omits the quoted language as superseded by the 1995  
21 enactment of Section 49.103, Water Code, applicable to  
22 the district under Sections 49.001(a), 49.002, and  
23 49.103(e), Water Code. Section 49.103 provides for a  
24 four-year term for directors, with elections held each  
25 even-numbered year.

26 (3) Section 4(c), V.A.C.S. Article 8280-222,  
27 provides that "the Board of Directors of said District  
28 shall appoint a presiding judge who shall appoint an  
29 assistant judge and two (2) clerks to assist in holding  
30 the election" for directors. The revised law omits the  
31 quoted language as superseded by the 1985 enactment of  
32 the Election Code, applicable to the district under  
33 Section 1.002, Election Code. Sections 32.005 and  
34 32.033, Election Code, govern the selection of

1 election judges and clerks.

2 (4) Section 4(c), V.A.C.S. Article 8280-222,  
3 provides that "[o]nly qualified electors residing  
4 within the confines of said District shall be entitled  
5 to vote at said election." The revised law omits the  
6 quoted language as unnecessary in this context because  
7 Chapter 11, Election Code, governs eligibility to vote  
8 in an election in this state and allows only  
9 "qualified" voters who are residents of the territory  
10 covered by the election to vote in an election.

11 Revised Law

12 Sec. 9003.055. NOTICE OF ELECTION. Notice of the directors  
13 election shall be published two times in a newspaper of general  
14 circulation in the district at least 30 days before the election.  
15 (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

16 Source Law

17 (c) . . . Notice of the yearly elections shall  
18 be published in a newspaper of general circulation in  
19 said area two (2) times at least thirty (30) days  
20 before the election. . . .

21 Revisor's Note

22 Section 4(c), V.A.C.S. Article 8280-222, refers  
23 to "yearly" elections. The revised law omits "yearly"  
24 for the reason stated in Revisor's Note (2) to Section  
25 9003.054.

26 Revised Law

27 Sec. 9003.056. ELECTION RESULTS. (a) The candidate  
28 receiving the highest number of votes for a position shall be  
29 declared elected as a director of the district.

30 (b) The board shall enter an order declaring the results of  
31 the election. (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

32 Source Law

33 (c) . . . The candidate receiving the highest  
34 number of votes shall be declared elected. The returns  
35 of the election shall be made to and canvassed by the  
36 Board of Directors of the District, who shall enter an  
37 order declaring the results of the election.

1 Revisor's Note

2 Section 4(c), V.A.C.S. Article 8280-222 (enacted  
3 in 1959), provides that after an election for new  
4 directors, "[t]he returns of the election shall be  
5 made to and canvassed by the Board of Directors of the  
6 District." The revised law omits the quoted language  
7 as superseded by the 1985 enactment of Chapter 67,  
8 Election Code, providing for the canvass of elections,  
9 which applies to the district under Sections 1.002 and  
10 67.001, Election Code.

11 Revised Law

12 Sec. 9003.057. PETITION. (a) Any candidate for director  
13 may have the candidate's name printed on the ballot by submitting a  
14 petition signed by at least 25 persons qualified to vote at the  
15 election.

16 (b) The petition must be presented to the secretary of the  
17 board not later than the 21st day before the date of the election.  
18 (V.A.C.S. Art. 8280-222, Sec. 4(d).)

19 Source Law

20 (d) Any candidate for director desiring to have  
21 his name printed on the ballot may do so by a petition  
22 so requesting, signed by not less than twenty-five  
23 (25) persons who are qualified to vote at said  
24 election. Such petition shall be presented to the  
25 secretary of the Board of Directors of the District.  
26 The petition shall be presented on such date as will  
27 allow not less than twenty (20) full days between the  
28 date of presentation and the date of election.

29 Revised Law

30 Sec. 9003.058. COMPENSATION. (a) Unless the board by  
31 resolution increases the fee to an amount authorized by Section  
32 49.060, Water Code, a director is entitled to receive an amount  
33 determined by the board, not to exceed \$40 a day, for:

34 (1) each day the director attends a meeting of the  
35 board; or

36 (2) each day the director otherwise devotes to the  
37 business of the district.

38 (b) A director is entitled to reimbursement for actual

1 expenses incurred in attending to district business, provided the  
2 service and expense are expressly approved by the board. (V.A.C.S.  
3 Art. 8280-222, Sec. 4(f).)

4 Source Law

5 (f) Each director is entitled to receive an  
6 amount as determined by the Board of Directors, not to  
7 exceed Forty Dollars (\$40) a day, for each day he is  
8 engaged in attending a meeting of the Board and for  
9 each day he otherwise devotes to the business of the  
10 District and is entitled also to reimbursement for  
11 actual expenses incurred in attending to District  
12 business, provided that such service and expense are  
13 expressly approved by the Board of Directors of the  
14 District.

15 Revisor's Note

16 Section 4(f), V.A.C.S. Article 8280-222 (enacted  
17 in 1959 and last amended in 1983), provides in part for  
18 a \$40 director's fee for attendance at a board meeting  
19 and for each day devoted to business of the district.  
20 Section 49.060, Water Code, enacted in 1995 and  
21 applicable by its own terms to the district,  
22 authorizes higher fees. Section 49.060(e), however,  
23 provides that if the amount of the fee set by Section  
24 49.060 would result in a fee increase, the amount does  
25 not apply to a district unless the district's board by  
26 resolution adopts a higher fee. The revised law is  
27 drafted accordingly.

28 Revised Law

29 Sec. 9003.059. APPOINTMENT OF SECRETARY AND TREASURER. The  
30 board shall appoint a secretary and a treasurer. The board may  
31 combine the offices of secretary and treasurer. The secretary or  
32 treasurer is not required to be a director. (V.A.C.S.  
33 Art. 8280-222, Sec. 4(g) (part).)

34 Source Law

35 (g) . . . The Board shall also appoint a  
36 secretary and a treasurer who may or may not be members  
37 of the Board and it may combine those offices. . . .

38 Revisor's Note

39 Section 4(g), V.A.C.S. Article 8280-222,

1 requires the treasurer to make bond in the amount  
2 required by the board. The revised law omits the  
3 provision because it duplicates, in substance, Section  
4 49.057, Water Code, which applies to the district by  
5 application of Sections 49.001(a) and 49.002, Water  
6 Code. Section 49.057 requires officers and employees  
7 who routinely handle district funds to post a bond.

8 The omitted law reads:

9 (g) . . . The treasurer shall make  
10 bond in such amount as may be required by  
11 the Board of Directors of the District. The  
12 condition of such bond shall be that he will  
13 faithfully account for all money which  
14 shall come into his custody as treasurer of  
15 the District. . . .

16 Revised Law

17 Sec. 9003.060. VOTE BY BOARD PRESIDENT. The president has  
18 the same right to vote as any other director. (V.A.C.S.  
19 Art. 8280-222, Sec. 4(g) (part).)

20 Source Law

21 (g) . . . The president . . . shall have the  
22 same right to vote as any other director. . . .

23 Revised Law

24 Sec. 9003.061. EMPLOYEES. The board may employ a general  
25 manager, attorneys, accountants, engineers, or other technical or  
26 nontechnical employees or assistants and set the amount and manner  
27 of their compensation. (V.A.C.S. Art. 8280-222, Sec. 4(h) (part).)

28 Source Law

29 (h) The Board of Directors . . . may employ a  
30 general manager, attorneys, accountants, engineers,  
31 or other technical or non-technical employees or  
32 assistants; fix the amount and manner of their  
33 compensation; and . . . .

34 Revised Law

35 Sec. 9003.062. DISTRICT SEAL. The board may adopt a seal  
36 for the district. (V.A.C.S. Art. 8280-222, Sec. 4(g) (part).)

37 Source Law

38 (g) . . . The Board may adopt a seal for the  
39 District.



1 directors shall be elected or appointed as  
2 provided for in this Act.

3 (c) The first two (2) named directors  
4 in Section 4(b) above shall serve until the  
5 second Tuesday in January, 1960, and the  
6 following three (3) named directors shall  
7 serve until the second Tuesday in January,  
8 1961. . . .

9 (4) Section 4(e), V.A.C.S. Article 8280-222,  
10 describes the procedure for filling a board vacancy.  
11 The revised law omits the provision because it  
12 duplicates Section 49.105, Water Code (enacted in  
13 1995), which applies to the district by application of  
14 Sections 49.001(a) and 49.002, Water Code. Section  
15 49.105 establishes the procedures for filling a board  
16 vacancy. The omitted law reads:

17 (e) Any vacancies occurring in the  
18 Board of Directors of the District shall be  
19 filled for the unexpired term by a majority  
20 vote of the remaining Board of Directors.

21 (5) Section 4(g), V.A.C.S. Article 8280-222,  
22 provides in part for the election of officers by the  
23 board, names the board president as chief executive  
24 officer, and states the duties of the board vice  
25 president. The revised law omits those provisions as  
26 duplicative, in substance, of Section 49.054, Water  
27 Code, which applies to the district by application of  
28 Sections 49.001(a) and 49.002, Water Code. The  
29 omitted law reads:

30 (g) The Board of Directors of the  
31 District shall elect from its number a  
32 president and a vice-president, and such  
33 other officers as in the judgment of the  
34 Board are necessary. [The president] shall  
35 be the chief executive officer, and the  
36 presiding officer of the Board, and . . . .  
37 The vice-president shall perform all duties  
38 and exercise all power conferred by this Act  
39 upon the president when the president is  
40 absent or fails or declines to act. . . .

41 [Sections 9003.063-9003.100 reserved for expansion]

42 SUBCHAPTER C. POWERS AND DUTIES

43 Revised Law

44 Sec. 9003.101. GENERAL POWERS (a) The district has all

1 the rights, powers, and privileges granted water control and  
2 improvement districts by:

3 (1) Chapter 51, Water Code; and

4 (2) other laws relating to water control and  
5 improvement districts.

6 (b) To the extent a general law described by Subsection (a)  
7 conflicts or is inconsistent with this chapter, this chapter  
8 prevails.

9 (c) In addition to powers granted the district under other  
10 law, the district has the power to:

11 (1) control, store, conserve, protect, distribute,  
12 and use the storm and flood waters in the district for all useful  
13 purposes permitted by law;

14 (2) implement flood prevention and control measures in  
15 the district and prevent or aid in preventing damage to district  
16 lands and the soil and fertility of those lands;

17 (3) receive and accept technical and financial  
18 assistance from other districts or state agencies or from the  
19 United States to accomplish district purposes; and

20 (4) purchase, construct, maintain, or in any other  
21 manner acquire, provide, and develop all works, facilities,  
22 improvements, lands, easements, and properties that may be  
23 necessary or useful in fulfilling any purpose of the district.

24 (V.A.C.S. Art. 8280-222, Secs. 2 (part), 4(a) (part).)

25 Source Law

26 Sec. 2. The District shall have and exercise and  
27 shall be vested with all the rights, powers,  
28 privileges and authority granted water control and  
29 improvement districts by Chapter 3A, Title 128 of the  
30 Revised Civil Statutes of Texas, 1925, and all  
31 amendments hereto, heretofore or hereafter enacted,  
32 and all other laws of the State of Texas relating to  
33 water control and improvement districts, . . . . To  
34 the extent that the provisions of any such General Laws  
35 may be in conflict or inconsistent with the provisions  
36 of this Act, the provisions of this Act shall prevail.  
37 Without limitation of the generality of the foregoing  
38 the District herein created shall be and it is hereby  
39 empowered to control, store, conserve, protect,  
40 distribute and utilize the storm and flood waters  
41 within the area of the District for all useful purposes  
42 permitted by law; also, to carry out flood prevention

1 and control measures within the District and to  
2 prevent or aid in preventing damage to the lands of the  
3 District and the soil and fertility thereof; [to  
4 cooperate with all other districts, departments or  
5 agencies of the State Government, or any agency,  
6 representative, instrumentality, or department of the  
7 United States Government; and] to receive and accept  
8 technical and financial assistance therefrom in the  
9 accomplishment of said purposes. The said District is  
10 further authorized and empowered to purchase,  
11 construct, maintain, or in any other lawful manner to  
12 acquire, provide and develop all works, facilities,  
13 improvements, lands, easements and properties, which  
14 may be necessary or useful in fulfilling the purposes  
15 of the District or any of them.

16 Sec. 4. (a) All powers of the District shall be  
17 exercised by a Board . . . .

18 Revisor's Note

19 (1) Section 2, V.A.C.S. Article 8280-222,  
20 refers to the district's "rights, powers, privileges  
21 and authority." The revised law omits "authority"  
22 because it is included in the meaning of "powers."

23 (2) Section 2, V.A.C.S. Article 8280-222,  
24 refers to "Chapter 3A, Title 128 of the Revised Civil  
25 Statutes of Texas, 1925, and all amendments hereto,  
26 heretofore or hereafter enacted." The relevant  
27 provisions of that statute were codified by Chapter  
28 58, Acts of the 62nd Legislature, Regular Session,  
29 1971, as Chapter 51, Water Code. The revised law is  
30 drafted accordingly.

31 (3) Section 2, V.A.C.S. Article 8280-222,  
32 provides in part that any general law relating to water  
33 control and improvement districts is incorporated by  
34 reference. The revised law omits the provision as  
35 unnecessary. Because this chapter references the laws  
36 that apply to the district, it is not necessary to  
37 duplicate the substance of those laws in this section  
38 by means of adoption and incorporation by reference.  
39 In addition, this section provides that this chapter  
40 prevails in case of any conflict with another law. The  
41 omitted law reads:

42 Sec. 2. . . . [all other laws of the

1 State of Texas relating to water control and  
2 improvement districts,] (all such laws  
3 being hereinafter referred to as "General  
4 Laws"). All such General Laws are hereby  
5 incorporated by this reference to the same  
6 effect as if set out in full in this Act.  
7 . . .

8 (4) Section 2, V.A.C.S. Article 8280-222,  
9 refers to the district's authority to act jointly with  
10 other entities. The revised law omits the provision  
11 because it duplicates, in substance, provisions of  
12 Section 49.227, Water Code, that provide the district  
13 with authority to act jointly. Section 49.227 applies  
14 to the district by application of Sections 49.001(a)  
15 and 49.002, Water Code. The omitted law reads:

16 Sec. 2. . . . [the District . . .  
17 is hereby empowered] . . . to cooperate  
18 with all other districts, departments or  
19 agencies of the State Government, or any  
20 agency, representative, instrumentality,  
21 or department of the United States  
22 Government; and . . . .

23 (5) Section 2, V.A.C.S. Article 8280-222,  
24 refers to the district's authority to receive  
25 technical and financial assistance from "other  
26 districts, departments or agencies of the State  
27 Government, or any agency, representative,  
28 instrumentality, or department of the United States  
29 Government." The revised law omits the reference to  
30 "any agency, representative, instrumentality, or  
31 department of" the United States because those  
32 entities are included in the definition of "United  
33 States" provided by Section 311.005(9), Government  
34 Code (Code Construction Act), applicable to the  
35 revised law. The revised law also omits "departments"  
36 because the meaning of the term is included in the  
37 meaning of "agencies."

38 (6) Section 2, V.A.C.S. Article 8280-222,  
39 permits the district to acquire, provide, and develop  
40 works, facilities, improvements, lands, easements,

1 and properties in any "lawful" manner. The revised law  
2 omits the word "lawful" as unnecessary because the  
3 district would not, in the absence of the term, have  
4 authority to act unlawfully.

5 Revised Law

6 Sec. 9003.102. SURVEYS; ENGINEERING INVESTIGATIONS. The  
7 board may conduct or provide for surveys and engineering  
8 investigations for district purposes. (V.A.C.S. Art. 8280-222,  
9 Sec. 4(h) (part).)

10 Source Law

11 (h) The Board of Directors, from time to time,  
12 shall be authorized to make or cause to be made surveys  
13 and engineering investigations for the information of  
14 the District to facilitate the accomplishment of the  
15 purposes for which the District is created; and . . .

16 Revisor's Note

17 Section 4(h), V.A.C.S. Article 8280-222, refers  
18 to the board's authority to make surveys and  
19 engineering investigations "from time to time." The  
20 revised law omits the quoted language as unnecessary  
21 because the power to take an action includes the power  
22 to act "from time to time."

23 Revised Law

24 Sec. 9003.103. EXPENDITURES. The board may provide for the  
25 payment of expenditures considered essential to the proper  
26 maintenance of the district and its business. (V.A.C.S.  
27 Art. 8280-222, Sec. 4(h) (part).)

28 Source Law

29 (h) The Board of Directors . . . may provide for  
30 the payment of expenditures deemed essential to the  
31 proper maintenance of the District and its affairs.

32 Revised Law

33 Sec. 9003.104. LIMITATION ON EMINENT DOMAIN. The  
34 district's powers of eminent domain are limited to Hill and  
35 McLennan counties. (V.A.C.S. Art. 8280-222, Sec. 9 (part).)

36 Source Law

37 Sec. 9. . . .



1 water control and improvement districts.

2 (c) In calling an election for taxes authorized by  
3 Subsection (a), the board shall specify the maximum tax rate. A tax  
4 in excess of that amount may not be imposed without submitting the  
5 question of the increased rate to the voters. (V.A.C.S.  
6 Art. 8280-222, Secs. 3 (part), 5 (part).)

7 Source Law

8 Sec. 3. . . . the ad valorem plan of taxation  
9 shall be used by the District.

10 Sec. 5. The District may upon a favorable  
11 majority vote of the qualified property taxpaying  
12 electors of the District, voting at an election held  
13 within the boundaries of such District for that  
14 purpose, levy, assess and collect annual taxes to  
15 provide funds necessary to construct or acquire,  
16 maintain and operate works, plants and facilities  
17 deemed essential or beneficial to the District and its  
18 purposes, and also when so authorized may levy, assess  
19 and collect annual taxes to provide funds adequate to  
20 defray the cost of the maintenance, operation and  
21 administration of the District. Elections for the  
22 levy of such taxes shall be ordered by the Board of  
23 Directors and shall be held and conducted in the manner  
24 provided by General Law relating to elections for the  
25 authorization of bonds of water control and  
26 improvement districts. . . . In calling the election  
27 for taxes, whether for construction, maintenance or  
28 any other purpose, the Board of Directors shall  
29 specify the maximum rate of tax which is sought to be  
30 levied, and no tax in excess of that amount may be  
31 levied without submitting the question of the  
32 increased rate of taxation to the electors hereinabove  
33 described.

34 Revisor's Note

35 (1) Section 5, V.A.C.S. Article 8280-222,  
36 provides that the district may impose taxes if  
37 authorized by "a favorable majority vote of the  
38 qualified property taxpaying electors of the District,  
39 voting at an election held within the boundaries of  
40 such District for that purpose." The revised law  
41 substitutes a reference to Section 49.107, Water Code,  
42 parts of which duplicate, in substance, the Section 5  
43 provision and apply to the district by application of  
44 Sections 49.001(a) and 49.002, Water Code.

45 To the extent that Section 5 limits the election  
46 to "qualified" voters, the revised law omits the

1 requirement as unnecessary in this context because  
2 Chapter 11, Election Code, governs eligibility to vote  
3 in an election in this state and allows only "qualified  
4 voters" to vote in an election.

5 To the extent that Section 5 purports to limit the  
6 election to "property taxpaying electors," the revised  
7 law omits the requirement because in Hill v. Stone, 421  
8 U.S. 289, 95 S. Ct. 1637 (1975), the United States  
9 Supreme Court determined that property ownership as a  
10 qualification for voting is an unconstitutional denial  
11 of equal protection.

12 (2) Section 5, V.A.C.S. Article 8280-222,  
13 refers to the authority's power to "levy, assess and  
14 collect" taxes. The revised law throughout this  
15 chapter substitutes "impose" for "levy, assess and  
16 collect" because "impose" is the term generally used  
17 in Title 1, Tax Code, and includes the levy,  
18 assessment, and collection of an ad valorem tax.

19 (3) Section 5, V.A.C.S. Article 8280-222,  
20 refers to submitting the question of an increased tax  
21 rate to "the electors." The revised law substitutes  
22 "voters" for "electors" because the terms are  
23 synonymous and the former is more commonly used.

24 Revised Law

25 Sec. 9003.152. TAX LIEN. All taxes imposed by the district  
26 for any purpose constitute a lien on the property taxed. Limitation  
27 does not bar the enforcement or collection of those taxes.  
28 (V.A.C.S. Art. 8280-222, Sec. 5 (part).)

29 Source Law

30 Sec. 5. . . . All taxes levied by the District  
31 for any purpose shall constitute a lien on the property  
32 against which levied and limitation shall not bar the  
33 enforcement or collection thereof. . . .

34 Revised Law

35 Sec. 9003.153. ISSUANCE OF BONDS. (a) To accomplish

1 district purposes, the board may borrow money and issue bonds in the  
2 manner provided by general law.

3 (b) In the resolution authorizing the bonds, the district  
4 may set aside an amount from the bond proceeds for:

5 (1) the payment of interest expected to accrue during  
6 construction; and

7 (2) a reserve interest and sinking fund.

8 (c) Bond proceeds may be used to pay all expenses  
9 necessarily incurred in accomplishing district purposes, including  
10 the expenses of issuing and selling the bonds.

11 (d) Pending the use of bond proceeds for the purpose for  
12 which the bonds were issued, the board may invest the proceeds in  
13 obligations of or guaranteed by the United States.

14 (e) Bonds payable wholly from the district's net revenue,  
15 from the proceeds of any water contracts, or from any source other  
16 than ad valorem taxes may be issued pursuant to a board resolution  
17 without a hearing or election. The resolution must be authorized by  
18 unanimous vote of all directors. (V.A.C.S. Art. 8280-222, Sec. 6  
19 (part).)

20 Source Law

21 Sec. 6. In the accomplishment of the purposes for  
22 which the District is created, its Board of Directors  
23 is hereby authorized to borrow money and to issue bonds  
24 in the manner provided by General Law. From the  
25 proceeds of the sale of bonds, the District may set  
26 aside an amount for the payment of interest expected to  
27 accrue during construction, and a reserve interest and  
28 sinking fund, and such provisions shall be made in the  
29 resolution authorizing the bonds. Proceeds from the  
30 sale of bonds may also be used for the payment of all  
31 expenses necessarily incurred in accomplishing the  
32 purposes for which this District is created, including  
33 the expenses of issuing and selling the bonds. Pending  
34 the use of bond proceeds for the purpose for which  
35 issued, the Board of Directors may invest same in  
36 obligations of or guaranteed by the United States of  
37 America. . . . Bonds payable wholly from the  
38 District's net revenues or from the proceeds of any  
39 water contract or contracts, or by any means other than  
40 ad valorem taxes may be issued pursuant to resolution  
41 of the Board of Directors without the necessity of any  
42 hearing or election, provided that such resolution is  
43 authorized by unanimous vote of all members of the  
44 Board of Directors.

1 Revisor's Note

2 Section 6, V.A.C.S. Article 8280-222, provides  
3 that bonds issued by the district are "negotiable  
4 instruments within the meaning of the Negotiable  
5 Instruments Laws of this State." The revised law omits  
6 that provision as unnecessary. The Uniform Negotiable  
7 Instruments Act (Articles 5932-5948, Revised  
8 Statutes) was repealed in 1965 when the Uniform  
9 Commercial Code (Title I, Business & Commerce Code)  
10 was adopted. Section 1201.041, Government Code,  
11 provides that a public security is a negotiable  
12 instrument. Section 1201.041 applies to bonds issued  
13 by the district by application of Section 1201.002,  
14 Government Code. The omitted law reads:

15 Sec. 6. . . . All bonds issued by the  
16 District shall constitute negotiable  
17 instruments within the meaning of the  
18 Negotiable Instruments Laws of this  
19 State. . . .

20 Revised Law

21 Sec. 9003.154. TAX STATUS OF BONDS. All bonds issued by  
22 the district, the transfer of the bonds, and the income from the  
23 bonds, including profits from the sale of the bonds, may not be  
24 taxed by the state or by any municipal corporation, county, or other  
25 political subdivision or taxing district of the state. (V.A.C.S.  
26 Art. 8280-222, Sec. 8.)

27 Source Law

28 Sec. 8. All bonds issued hereunder and their  
29 transfer and the income therefrom, including the  
30 profits on the sale thereof, at all times shall be free  
31 from taxation by the state or by any municipal  
32 corporation, county or other political subdivision or  
33 taxing district of the State.

34 Revisor's Note  
35 (End of Subchapter)

36 (1) Section 6, V.A.C.S. Article 8280-222,  
37 authorizes the Aquilla-Hackberry Creek Conservation  
38 District board to issue refunding bonds for bonds  
39 issued under that article. The revised law omits the

1 provision because it has been superseded by other law.  
2 Article 8280-222 was enacted by Chapter 183, Acts of  
3 the 56th Legislature, Regular Session, 1959. In 1999  
4 Chapter 1207, Government Code, codified V.A.C.S.  
5 Article 717k, enacted by Chapter 503, Acts of the 54th  
6 Legislature, Regular Session, 1955, and amended by  
7 Chapter 783, Acts of the 61st Legislature, Regular  
8 Session, 1969, and V.A.C.S. Article 717k-3, enacted by  
9 Chapter 784, Acts of the 61st Legislature, Regular  
10 Session, 1969. Chapter 1207 applies to the district by  
11 application of Sections 1207.001 and 1207.002 and  
12 contains general authority for an issuer to issue  
13 refunding securities. Article 8280-222 also provides  
14 procedures applicable to refunding bonds that are  
15 superseded by the procedures under Chapter 1207. The  
16 omitted law reads:

17           Sec. 6. . . . The Board of Directors  
18 is authorized to issue refunding bonds for  
19 the purpose of refunding any outstanding  
20 bonds authorized by this Act, and the  
21 interest thereon without the necessity of  
22 an election. Such refunding bonds may be  
23 issued to refund more than one series of  
24 outstanding bonds, and in the case of bonds  
25 secured in whole or in part by net revenues,  
26 the District may combine the pledges of the  
27 outstanding bonds for the security of the  
28 refunding bonds and may secure them by other  
29 or additional revenues. . . .

30           (2) Section 7, V.A.C.S. Article 8280-222, lists  
31 the entities for which bonds issued under that article  
32 are legal and authorized investments. The revised law  
33 omits the provisions as unnecessary. As to several of  
34 the entities listed, Article 8280-222, enacted in 1959  
35 by Chapter 183, Acts of the 56th Legislature, Regular  
36 Session, has been superseded and impliedly repealed.  
37 Investments in securities by banks are regulated by  
38 Section 34.101, Finance Code (enacted in 1995 as  
39 Section 5.101, Texas Banking Act (Article 342-5.101,  
40 Vernon's Texas Civil Statutes)). Investments by

1 savings banks are regulated by Section 93.001(c)(10),  
2 Finance Code (enacted in 1993 as Section 7.15(10),  
3 Texas Savings Bank Act (Article 489e, Vernon's Texas  
4 Civil Statutes)). Investments in securities by trust  
5 companies are regulated by Section 184.101, Finance  
6 Code (enacted in 1997 as Section 5.101, Texas Trust  
7 Company Act (Article 342a-5.101, Vernon's Texas Civil  
8 Statutes)). Investments by savings and loan  
9 associations are regulated by Section 63.002, Finance  
10 Code (last amended in 1985 as Section 5.05, Texas  
11 Savings and Loan Act (Article 852a, Vernon's Texas  
12 Civil Statutes)), and by Section 64.001, Finance Code  
13 (last amended in 1989 as Section 5.01, Texas Savings  
14 and Loan Act (Article 852a, Vernon's Texas Civil  
15 Statutes)). As to the remaining entities listed,  
16 Section 7, Article 8280-222, is superseded by Section  
17 1201.041, Government Code, enacted as Section 9, Bond  
18 Procedures Act of 1981 (Article 717k-6, Vernon's Texas  
19 Civil Statutes). While Section 7, Article 8280-222,  
20 lists "guardians" and Section 1201.041, Government  
21 Code, does not, Section 1201.041 includes  
22 "fiduciaries," and a guardian is a fiduciary. Section  
23 1201.041, Government Code, applies to bonds issued  
24 under Article 8280-222 by application of Section  
25 1201.002, Government Code. The omitted law reads:

26           Sec. 7. All bonds of the District  
27 shall be and are hereby declared to be legal  
28 and authorized investments for banks,  
29 savings banks, trust companies, building  
30 and loan associations, savings and loan  
31 associations, insurance companies,  
32 fiduciaries, trustees, guardians, and  
33 sinking funds of cities, towns and  
34 villages, counties, school districts or  
35 other political subdivisions of the State  
36 of Texas, and for all public funds of the  
37 State of Texas or its agencies including the  
38 State Permanent School Fund. . . .

39           (3) Section 7, V.A.C.S. Article 8280-222,  
40 provides that bonds issued under that article may

1 secure deposits of public funds of the state or  
2 political subdivisions. The revised law omits that  
3 provision as impliedly repealed by Section 404.0221,  
4 Government Code (enacted in 1995), which lists  
5 eligible collateral for the comptroller's deposits of  
6 state funds, and by Chapter 2257, Government Code  
7 (enacted in 1989 as Article 2529d, Vernon's Texas Civil  
8 Statutes), which governs eligible collateral for  
9 deposits of funds of other public agencies, including  
10 political subdivisions. The omitted law reads:

11           Sec. 7. [All bonds of the  
12 District] . . . Such bonds shall be  
13 eligible to secure deposit of any and all  
14 public funds of the State of Texas, and any  
15 and all public funds of cities, towns,  
16 villages, counties, school districts, or  
17 other political subdivisions or  
18 corporations of the State of Texas; and such  
19 bonds shall be lawful and sufficient  
20 security for said deposits to the extent of  
21 their value, when accompanied by all  
22 unmatured coupons appurtenant thereto.

23                           Revisor's Note  
24                           (End of Chapter)

25           Section 11, V.A.C.S. Article 8280-222, provides  
26 that the act is severable. The revised law omits that  
27 provision because it duplicates Section 311.032,  
28 Government Code (Code Construction Act), applicable to  
29 the revised law, and Section 312.013, Government Code.  
30 Those sections state that a provision of a statute is  
31 severable from each other provision that can be given  
32 effect. The omitted law reads:

33           Sec. 11. Nothing in the Act shall be  
34 construed to violate any provision of the  
35 Federal or State Constitutions and all acts  
36 done under this Act shall be done in such  
37 manner as will conform thereto whether  
38 herein expressly provided or not. Where any  
39 procedure hereunder may be held by any court  
40 to be violative of either of such  
41 Constitutions the District shall have the  
42 power by resolution to provide an  
43 alternative procedure conformable to such  
44 Constitutions. If any provision of the Act  
45 shall be invalid, such fact shall not affect  
46 the creation of the District or the validity  
47 of any other provision of this Act, and the

1 Legislature here declares that it would  
2 have created the District and enacted the  
3 valid provisions of this Act  
4 notwithstanding the invalidity of any other  
5 provision or provisions hereof.

6 [Chapters 9004-9300 reserved for expansion]

7 SUBTITLE J. WATER IMPROVEMENT DISTRICTS

8 CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

9 NUMBER TEN

10	Sec. 9301.001.	DEFINITION . . . . .	845
11	Sec. 9301.002.	NATURE OF DISTRICT . . . . .	845
12	Sec. 9301.003.	PURPOSE . . . . .	846
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14	Sec. 9301.005.	LEGISLATIVE FINDINGS . . . . .	847
15	Sec. 9301.006.	GOVERNING LAW; POWERS AND DUTIES . . . . .	848
16	Sec. 9301.007.	BOARD OF DIRECTORS . . . . .	852

17 CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

18 NUMBER TEN

19 Revised Law

20 Sec. 9301.001. DEFINITION. In this chapter, "district"  
21 means the Cameron County Water Improvement District Number Ten.  
22 (New.)

23 Revisor's Note

24 The definition of "district" is added to the  
25 revised law for drafting convenience and to eliminate  
26 frequent, unnecessary repetition of the substance of  
27 the definition.

28 Revised Law

29 Sec. 9301.002. NATURE OF DISTRICT. The district is a  
30 conservation and reclamation district created under Section 59,  
31 Article XVI, Texas Constitution. (Acts 41st Leg., 1st C.S., Ch.  
32 110, Sec. 1 (part).)

33 Source Law

34 Sec. 1. That Cameron County Water Improvement  
35 District Number Ten, in Cameron County, Texas, as  
36 hereinafter described by metes and bounds, is hereby  
37 created and established as a Conservation and  
38 Reclamation District under authority of Section 59 of  
39 Article 16, of the Constitution of the State of

1 Texas, . . . .

2 Revisor's Note

3 (1) Section 1, Chapter 110, Acts of the 41st  
4 Legislature, 1st Called Session, 1929, states that the  
5 Cameron County Water Improvement District Number Ten  
6 "is hereby created and established." The revised law  
7 omits the quoted language as executed.

8 (2) Section 1, Chapter 110, Acts of the 41st  
9 Legislature, 1st Called Session, 1929, creates and  
10 establishes the district "as hereinafter described by  
11 metes and bounds." The revised law omits the quoted  
12 language because, for the reason stated in the  
13 revisor's note to Section 9301.004, the revised law  
14 does not include the metes and bounds description of  
15 the district's territory.

16 Revised Law

17 Sec. 9301.003. PURPOSE. The purposes of the district are:

18 (1) to reclaim and irrigate the district's arid,  
19 semiarid, and other lands needing irrigation;

20 (2) to reclaim and drain the district's overflowed  
21 lands and other lands needing drainage; and

22 (3) all other purposes under Section 59, Article XVI,  
23 Texas Constitution. (Acts 41st Leg., 1st C.S., Ch. 110, Sec. 1  
24 (part).)

25 Source Law

26 Sec. 1. [That Cameron County Water Improvement  
27 District Number Ten . . . is . . . established] . . .  
28 for the purpose of the reclamation and irrigation of  
29 its arid, semi-arid and other lands, needing  
30 irrigation, reclamation and drainage of its overflowed  
31 lands, and other lands needing drainage, and all other  
32 purposes as contemplated by said Section 59 of Article  
33 16, of the Constitution of this State, and . . . .

34 Revised Law

35 Sec. 9301.004. DISTRICT TERRITORY. The district is  
36 composed of the territory described by Section 1, Chapter 110, Acts  
37 of the 41st Legislature, 1st Called Session, 1929, as that  
38 territory may have been modified under:



1 district is included in the district's boundaries; and

2 (3) the district is essential to accomplish the  
3 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
4 41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 11 (part).)

5 Source Law

6 Sec. 1. . . .

7 It is hereby declared and determined that all  
8 property within the boundaries of said District, as  
9 herein set forth, is benefited by the creation of said  
10 District, and that no property not benefited is  
11 included within such boundaries. . . .

12 Sec. 11. The Legislature hereby exercises the  
13 authority upon it conferred by Section 59 of Article  
14 16, of the Constitution of Texas, and declares said  
15 Conservation and Reclamation District as above  
16 described to be essential to the accomplishment of the  
17 purposes of said Constitutional provision . . . .

18 Revisor's Note

19 (1) Section 1, Chapter 110, Acts of the 41st  
20 Legislature, 1st Called Session, 1929, references the  
21 boundaries of the district "as herein set forth." The  
22 revised law omits the quoted language for the reason  
23 stated in the revisor's note to Section 9301.004.

24 (2) Section 11, Chapter 110, Acts of the 41st  
25 Legislature, 1st Called Session, 1929, in part states  
26 that "[t]he Legislature hereby exercises the authority  
27 upon it conferred by Section 59 of Article 16, of the  
28 Constitution of Texas" and makes certain legislative  
29 findings about the district. The revised law omits the  
30 quoted language as executed.

31 Revised Law

32 Sec. 9301.006. GOVERNING LAW; POWERS AND DUTIES. (a) The  
33 district is governed by Chapters 49 and 55, Water Code.

34 (b) The district has the rights, powers, privileges,  
35 duties, and functions of a water improvement district under the  
36 Texas Constitution and general law, including Chapters 49 and 55,  
37 Water Code. (Acts 41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 2,  
38 11 (part).)



1 Constitution, which provides that a conservation and  
2 reclamation district is a governmental agency and a  
3 body politic and corporate. The policy of the  
4 legislative council's statutory revision program is to  
5 omit from the revised codes the duplicating statutory  
6 provisions because a statute that tracks the language  
7 of the constitution not only is superfluous but may  
8 foster the erroneous belief that a constitutional  
9 requirement is merely statutory and subject to  
10 amendment through the ordinary legislative process.

11 (2) Section 2, Chapter 110, Acts of the 41st  
12 Legislature, 1st Called Session, 1929, confers on the  
13 district all the rights, powers, privileges, duties,  
14 and functions of a water district under Chapter 2,  
15 Title 128, Revised Statutes, "including the right and  
16 power to levy and collect taxes and issue bonds." The  
17 revised law omits the quoted language as unnecessary  
18 since the powers to levy and collect taxes and to issue  
19 bonds are included in Chapter 2, Title 128, Revised  
20 Statutes. Chapter 2, Title 128, Revised Statutes, was  
21 codified as Chapters 49 and 55, Water Code, as  
22 explained in Revisor's Note (6) to this section.

23 (3) Section 2, Chapter 110, Acts of the 41st  
24 Legislature, 1st Called Session, 1929, limits the  
25 district's authority to assess and collect taxes and  
26 issue bonds "to the extent, for the purposes, and  
27 subject to the provisions, limitations, and conditions  
28 under which said powers may be exercised or may  
29 hereafter be exercised, under the General Laws of this  
30 State by Conservation and Reclamation Districts  
31 created as Water Improvement Districts." The revised  
32 law omits the references to the provisions of general  
33 law as unnecessary since those statutes by their own  
34 terms apply to the district.

1           (4) Section 2, Chapter 110, Acts of the 41st  
2           Legislature, 1st Called Session, 1929, states that the  
3           district is to be "governed and controlled" by certain  
4           law. The revised law omits the reference to  
5           "controlled" since, in the context in which the term  
6           appears, "controlled" is included in the meaning of  
7           "governed."

8           (5) Section 2, Chapter 110, Acts of the 41st  
9           Legislature, 1st Called Session, 1929, provides that  
10          "except as herein otherwise provided," Chapter 2,  
11          Title 128, Revised Statutes, is the district's  
12          governing law. The revised law omits "except as herein  
13          otherwise provided" because the source law does not  
14          contain any exception to this section of the source law  
15          and any exception that did exist would apply  
16          regardless of the omitted language.

17          (6) Section 2, Chapter 110, Acts of the 41st  
18          Legislature, 1st Called Session, 1929, states that the  
19          district is to be governed by "Chapter 2, Title 128, of  
20          the Revised Civil Statutes of the State of Texas,  
21          Revision of 1925, and Acts amendatory thereof and  
22          supplementary thereto." Chapter 2, Title 128, Revised  
23          Statutes, was codified by Section 1, Chapter 58, Acts  
24          of the 62nd Legislature, Regular Session, 1971, as  
25          Chapter 55, Water Code. Chapter 715, Acts of the 74th  
26          Legislature, Regular Session, 1995, repealed most of  
27          the provisions of Chapter 55 that pertained to the  
28          control and management of a water improvement district  
29          and enacted Chapter 49, Water Code, to govern the  
30          control and management of water improvement districts  
31          and certain other districts. Chapter 49 applies to the  
32          district under Sections 49.001(a) and 49.002, Water  
33          Code. The revised law is drafted accordingly. In  
34          addition, the revised law omits the reference to



1 Chapter 2, Title 128, of the Revised Civil Statutes of  
2 Texas, Revision of 1925, and of all Acts amendatory  
3 thereof and supplementary thereto." The revised law  
4 omits that provision as unnecessary since the broader  
5 provisions of Sections 1, 2, and 11, revised in this  
6 chapter as Section 9301.006(b), confer all the rights,  
7 powers, privileges, duties, and functions of a  
8 district under the successor statutes of Chapter 2,  
9 Title 128, Revised Statutes (see Revisor's Note (6) to  
10 Section 9301.006), which include provisions governing  
11 boards of directors (see Subchapter C, Chapter 49,  
12 Water Code), and it is unnecessary to repeat that grant  
13 of authority here. The revised law substitutes  
14 "Chapter 55, Water Code" for "Chapter 2, Title 128, of  
15 the Revised Civil Statutes of Texas" because Chapter  
16 2, Title 128, was codified as Chapter 55, Water Code,  
17 as described by Revisor's Note (6) to Section 9301.006.  
18 The revised law omits "all Acts amendatory thereof and  
19 supplementary thereto" for the reason stated in  
20 Revisor's Note (6) to Section 9301.006.

21 Revisor's Note  
22 (End of Chapter)

23 (1) Sections 1 and 11, in part, and Section 9,  
24 Chapter 110, Acts of the 41st Legislature, 1st Called  
25 Session, 1929, validate actions of the Cameron County  
26 Commissioners Court and other entities in establishing  
27 and financing Cameron County Water Improvement  
28 District Number Ten before the effective date of the  
29 legislation. The revised law omits the validating  
30 provisions as executed. The omitted law reads:

31 Sec. 1. . . . the organization and  
32 establishment of said District by the  
33 Commissioners' Court of Cameron County,  
34 Texas, and all orders of said Commissioners'  
35 Court of Cameron County, Texas, and of the  
36 Board of Directors of said Cameron County  
37 Water Improvement District Number Ten,  
38 heretofore made in respect to the creation

1 of such District and the authorization and  
2 issuance of the bonds of said District and  
3 particularly an issue of Six Hundred Eighty  
4 Thousand Dollars of bonds voted at an  
5 election under date of October 1, 1928, be  
6 and the same are hereby in all things  
7 ratified, confirmed and validated. . . .  
8 The said Cameron County Water Improvement  
9 District Number Ten, in Cameron County,  
10 Texas, here now created and established,  
11 after consideration of the benefits to the  
12 property therein located, . . . .

13 Sec. 9. That the action of the  
14 Commissioners' Court in originally creating  
15 and establishing said District as  
16 aforesaid, the action of the Board of  
17 Directors in organizing the same, the  
18 action of the Board of Equalization, in  
19 examining, correcting, equalizing and  
20 approving the assessment rolls, the action  
21 of the Board of Directors, in levying and  
22 providing for the collection of taxes, all  
23 have constituted an equitable imposition of  
24 taxes against the property in said  
25 District, and each and every of said  
26 respective actions is hereby validated,  
27 confirmed and legalized.

28 Sec. 11. [The Legislature . . .  
29 declares] . . . that it is and has been  
30 legal and valid from the date it was created  
31 by the Commissioners' Court; and confirms  
32 and ratifies said proceedings of said Court  
33 and of said Board of Directors in respect of  
34 the election authorizing the creation of  
35 the District and authorizing the issuance  
36 and sale of said bonds, the levy of taxes to  
37 pay the principal thereof and the interest  
38 thereon, with like effect as though at the  
39 time or times said Acts and proceedings were  
40 done or had there existed Statutory  
41 authority for the doing thereof.

42 (2) Section 3, Chapter 110, Acts of the 41st  
43 Legislature, 1st Called Session, 1929, provides in  
44 part that the board of directors serving at the time  
45 the legislation is enacted shall continue to serve on  
46 the board until an election in January 1930. The  
47 revised law omits the provision as executed. The  
48 omitted law reads:

49 Sec. 3. . . . The five directors of  
50 said District, now in office, shall  
51 discharge the duties of Directors of said  
52 Cameron County Water Improvement District  
53 Number Ten, until the next general election  
54 for directors in said District now provided  
55 by law to be held on the second Tuesday in  
56 January, 1930, and until their successors  
57 are elected and have qualified in the time  
58 and manner required by said laws.

1           (3) Section 4, Chapter 110, Acts of the 41st  
2           Legislature, 1st Called Session, 1929, imposes upon  
3           the district the obligations, contracts, and  
4           indebtedness created by the district before the  
5           effective date of the legislation. The revised law  
6           omits the provision as executed. The omitted law  
7           reads:

8                   Sec. 4. All obligations, contracts  
9                   and indebtedness heretofore legally created  
10                   by and on behalf of Cameron County Water  
11                   Improvement District Number Ten, are hereby  
12                   expressly imposed upon Cameron County Water  
13                   Improvement District Number Ten, as hereby  
14                   created, and shall be executed and  
15                   discharged by the said District, and the  
16                   said District hereby created shall be held  
17                   to have assumed the discharge of all such  
18                   obligations, contracts and indebtedness,  
19                   and the same shall be enforceable,  
20                   collectible from, paid and discharged, by  
21                   the said Cameron County Water Improvement  
22                   District Number Ten, as if originally  
23                   created by it; particularly Six Hundred and  
24                   Eighty Thousand (\$680,000.00) Dollars of  
25                   bonds dated December 1, 1928, maturing  
26                   serially from December 1, 1931 to December  
27                   1, 1968,, both inclusive, said bonds in the  
28                   denomination of One Thousand (\$1,000.00)  
29                   Dollars each, numbered from 1 to 680, both  
30                   inclusive, with maturities as hereinafter  
31                   set out, which said bonds are hereby  
32                   ratified, validated, approved, confirmed  
33                   and assumed by the said Cameron County Water  
34                   Improvement District Number Ten, and the  
35                   said bonds, both principal and interest,  
36                   shall be paid off and discharged by the said  
37                   Cameron County Water Improvement District  
38                   Number Ten hereby created.

39           (4) Section 5, Chapter 110, Acts of the 41st  
40           Legislature, 1st Called Session, 1929, in part  
41           validates property rights acquired by the district's  
42           board before the effective date of the legislation.  
43           The revised law omits the provision as executed. The  
44           omitted law reads:

45                   Sec. 5. The title to all property and  
46                   rights in property, contracts for the  
47                   furnishing of water to said District, water  
48                   appropriations, and any and all other  
49                   property rights of every nature heretofore  
50                   acquired by said Cameron County Water  
51                   Improvement District Number Ten are hereby  
52                   validated and confirmed in the District  
53                   hereby created, and . . . .

1           (5) Section 5, Chapter 110, Acts of the 41st  
2           Legislature, 1st Called Session, 1929, provides in  
3           part that property rights previously acquired by the  
4           district, the acquisition of which is validated by  
5           another provision of Section 5, shall be held and used  
6           as provided by Section 59, Article XVI, Texas  
7           Constitution, and Chapter 2, Title 128, Revised  
8           Statutes. The revised law omits the provision as  
9           unnecessary since the broader provisions of Sections  
10          1, 2, and 11, revised in this chapter as Section  
11          9301.006(b), confer on the district all of the rights,  
12          powers, privileges, duties, and functions of a  
13          district under Section 59 and the successor statutes  
14          to Chapter 2, Title 128, Revised Statutes, which  
15          include provisions governing property rights. The  
16          omitted law reads:

17                    Sec. 5. . . . same shall hereafter  
18                    be held and used under the provisions of  
19                    Section 59 of Article 16, of the State  
20                    Constitution and the provisions of Chapter  
21                    2, Title 128, of the Revised Civil Statutes  
22                    of the State of Texas, and Acts amendatory  
23                    thereof and supplementary thereto.

24          (6) Sections 6, 7, 8, and 10, Chapter 110, Acts  
25          of the 41st Legislature, 1st Called Session, 1929,  
26          validate the authorization and issuance of bonds made  
27          before the effective date of the legislation, validate  
28          the imposition and collection of taxes to pay for those  
29          bonds before the effective date of the legislation,  
30          and authorize the sale of the bonds and the imposition  
31          and collection of taxes to pay for those bonds after  
32          the effective date of the legislation. Provisions of  
33          those sections also validate purchases made with the  
34          proceeds of those bonds. The revised law omits those  
35          provisions as executed since the last of the bonds  
36          matured in 1968. Section 8 also validates the  
37          imposition and collection of maintenance and operation

1 taxes and other taxes and charges before the effective  
2 date of the legislation and validates certain actions  
3 taken in connection with imposing and collecting those  
4 taxes. The revised law omits those validating  
5 provisions as executed. In addition, Section 8  
6 provides for the collection of delinquent taxes.  
7 Section 8 has not been amended since its adoption in  
8 1929. In 1979, the legislature enacted Title 1, Tax  
9 Code (Property Tax Code), in Chapter 841, Acts of the  
10 66th Legislature, Regular Session, 1979. Section 6(b),  
11 Chapter 841, provides that all general, local, and  
12 special laws in conflict with Title 1, Tax Code, are  
13 repealed to the extent of the conflict. Title 1, Tax  
14 Code, includes conflicting provisions on the  
15 collection of delinquent taxes (Chapter 33, Tax Code).  
16 Since Title 1, Tax Code, was enacted in 1979, it  
17 supersedes Section 8. The omitted law reads:

18           Sec. 6. The order of the Board of  
19 Directors of Cameron County Water  
20 Improvement District Number Ten of  
21 September 6, 1928, ordering an election for  
22 Six Hundred and Eighty Thousand  
23 (\$680,000.00) Dollars of bonds for October  
24 1, 1928; the notices of election, the  
25 publication and posting of such notices,  
26 the form of ballot, the election itself, the  
27 returns of said election, the canvass by the  
28 Board of Directors of the votes cast at said  
29 election, and the order of the Board of  
30 Directors of said District, dated October  
31 4, 1928, authorizing and ordering the  
32 issuance of Six Hundred and Eighty Thousand  
33 (\$680,000.00) Dollars of the bonds of said  
34 District, which bonds are dated December 1,  
35 1928, and bear interest at the rate of six  
36 (6%) per centum per annum, payable  
37 semi-annually; said bonds being in the  
38 denomination of One Thousand (\$1,000.00)  
39 Dollars each, numbered consecutively from 1  
40 to 680, both numbers inclusive, and due:  
41 Nos. 1 to 4, Inc., December 1, 1931; Nos. 5  
42 to 8, Inc., December 1, 1932; Nos. 9 to 13,  
43 Inc., December 1, 1933; Nos. 14 to 19, Inc.,  
44 December 1, 1934; Nos. 20 to 26, Inc.,  
45 December 1, 1935; Nos. 27 to 33, Inc.,  
46 December 1, 1936; Nos. 34 to 41, Inc.,  
47 December 1, 1937; Nos. 42 to 49, Inc.,  
48 December 1, 1938; Nos. 50 to 58, Inc.,  
49 December 1, 1939; Nos. 59 to 68, Inc.,  
50 December 1, 1940; Nos. 69 to 78, Inc.,

1 December 1, 1941; Nos. 79 to 89, Inc.,  
2 December 1, 1942; Nos. 90 to 100, Inc.,  
3 December 1, 1943; Nos. 101 to 112 Inc.  
4 December 1, 1944; Nos. 113 to 125, Inc.,  
5 December 1, 1945; Nos. 126 to 139, Inc.,  
6 December 1, 1946; Nos. 140 to 154, Inc.,  
7 December 1, 1947; Nos. 155 to 170, Inc.,  
8 December 1, 1948; Nos. 171 to 187, Inc.,  
9 December 1, 1949; Nos. 188 to 205, Inc.,  
10 December 1, 1950; Nos. 206 to 224, Inc.,  
11 December 1, 1951; Nos. 225 to 244, Inc.,  
12 December 1, 1952; Nos. 245 to 265, Inc.,  
13 December 1, 1953; Nos. 266 to 287, Inc.,  
14 December 1, 1954; Nos. 288 to 310, Inc.,  
15 December 1, 1955; Nos. 311 to 333 Inc.,  
16 December 1, 1956; Nos. 334 to 357, Inc.,  
17 December 1, 1957; Nos. 358 to 381, Inc.,  
18 December 1, 1958; Nos. 382 to 406, Inc.,  
19 December 1, 1959; Nos. 407 to 432, Inc.,  
20 December 1, 1960; Nos. 433 to 459, Inc.,  
21 December 1, 1961; Nos. 460 to 487, Inc.,  
22 December 1, 1962; Nos. 488 to 516, Inc.,  
23 December 1, 1963; Nos. 517 to 546, Inc.,  
24 December 1, 1964; Nos. 547 to 578, Inc.,  
25 December 1, 1965; Nos. 579 to 611, Inc.,  
26 December 1, 1966; Nos. 612 to 645, Inc.,  
27 December 1, 1967; and Nos. 646 to 680. Inc.,  
28 December 1, 1968; and setting out the form  
29 of said bonds, place of payment and other  
30 details of said issue; the order providing  
31 for a tax on all of the taxable property in  
32 said District sufficient to pay the  
33 interest on said bonds and provide a sinking  
34 fund for payment of said bonds at maturity;  
35 and all orders of the Board of Directors of  
36 said District supplementary to and  
37 amendatory thereof, are in all respects  
38 ratified, confirmed, approved and  
39 validated.

40 Sec. 7. The amount of bonds fixed in  
41 the order of said Board of Directors of said  
42 District calling said election for the  
43 purposes set forth in said order is hereby  
44 found to be proper and necessary for the  
45 purposes set out therein and the purposes  
46 for which said bonds are to be issued as set  
47 out in the order of said Board calling said  
48 election and in the order of said Board  
49 authorizing and ordering the issuance of  
50 said Six Hundred Eighty Thousand  
51 (\$680,000.00) Dollars of bonds are hereby  
52 found to be proper and necessary and of  
53 benefit to all of the property and taxpayers  
54 in said District, and are hereby approved  
55 and authorized; and the said Cameron County  
56 Water Improvement District Number Ten, in  
57 Cameron County, Texas, is hereby fully  
58 authorized and empowered to issue and sell  
59 said bonds and use the proceeds of said  
60 bonds for the purposes set forth in the  
61 orders of said Board of Directors calling  
62 said election and authorizing and ordering  
63 the issuance of said bonds, and said bonds  
64 as and when issued and sold at any time or  
65 from time to time shall be and are hereby  
66 declared to be the legal, valid and binding  
67 obligations of said Cameron County Water  
68 Improvement District Number Ten.

1           The Board of Directors of said Cameron  
2 County Water Improvement District Number  
3 Ten, is hereby fully authorized and  
4 empowered to levy upon and against all the  
5 taxable property in said District, liable  
6 therefor, in the manner and at the time  
7 provided for by the General Laws,  
8 sufficient taxes to pay the interest on said  
9 bonds and provide sinking funds for the  
10 payment of said bonds at maturity.

11           Sec. 8. That taxes sufficient to pay  
12 the principal of and interest upon said  
13 bonds as well as for assessments for the  
14 maintenance and operation of said District,  
15 and other taxes and charges heretofore  
16 levied upon the taxable property in said  
17 District, on the assessed value of said  
18 taxable property determined by the Board of  
19 Equalization of said District, are hereby  
20 in all respects legalized and validated;  
21 that the action of the Board of Equalization  
22 and the action of the Board of Directors of  
23 said District, in preparing the tax rolls of  
24 the District are hereby ratified, legalized  
25 and validated; that the values placed upon  
26 said property for the purposes of taxation  
27 by said District, and the taxes collected  
28 thereon and levied against the property  
29 within said District are hereby found and  
30 fixed as proper amounts and are constituted  
31 the basis for such taxation, and the  
32 assessment and levy of such taxes for the  
33 year 1928, is hereby legalized, and said  
34 taxes in an amount sufficient to pay the  
35 principal of and interest on the said bonds  
36 shall be annually levied and assessed by the  
37 Board of Directors of said District,  
38 calculated upon the values of taxable  
39 property in said District as fixed by the  
40 Board of Equalization, and the power to levy  
41 such annual, general ad valorem taxes is  
42 hereby expressly delegated to said Board of  
43 Directors, and said Board of Directors is  
44 expressly authorized to take all proper  
45 steps necessary to collect any delinquent  
46 taxes hereafter accruing.

47           Sec. 10. That the orders of the  
48 Commissioners' Court of Cameron County,  
49 Texas, above cited, the orders of the Board  
50 of Directors of said District above cited,  
51 and all other orders adopted by the  
52 Commissioners' Court and by the Board of  
53 Directors in respect to the creation of said  
54 District, the organization of said District  
55 and the authorization and issuance of said  
56 bonds and the levying and assessing of said  
57 taxes as the same appear upon the records of  
58 said Board, or copies thereof duly  
59 certified, are hereby constituted legal  
60 evidence of such orders and shall be  
61 authority for said Board to annually levy,  
62 assess and collect taxes in an amount  
63 sufficient to pay the principal and  
64 interest upon said bonds as the same may  
65 mature and become due, such taxes to be  
66 levied and assessed based upon the assessed  
67 value of taxable property in said District

1 as fixed by the Board of Equalization  
2 thereof in accordance with existing laws;  
3 that any and all acts and proceedings had  
4 and taken by said Board in the construction  
5 and purchase of improvements, and for the  
6 acquisition of water for the irrigation of  
7 the lands in said District, with the  
8 proceeds of said bonds are hereby  
9 validated, authorized, approved and  
10 legalized.

11 (7) Section 12, Chapter 110, Acts of the 41st  
12 Legislature, 1st Called Session, 1929, states that the  
13 constitutional notice requirements for local and  
14 special laws have been met. The revised law omits the  
15 section as executed. The omitted law reads:

16 Sec. 12. Proof of publication of the  
17 Constitutional notice required in the  
18 enactment of Local and Special Laws has been  
19 made in the manner and form provided by law.

20 [Chapters 9302-9500 reserved for expansion]

21 SUBTITLE K. SEAWALL COMMISSIONS

22 CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

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28 [Sections 9501.005-9501.050 reserved for expansion]

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1 [Sections 9501.062-9501.100 reserved for expansion]

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13 CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Revised Law

16 Sec. 9501.001. DEFINITIONS. In this chapter:

17 (1) "Commission" means a seawall commission  
18 established under Section 9501.002.

19 (2) "Commissioners court" means the Commissioners  
20 Court of Matagorda County. (New.)

21 Revisor's Note

22 The revised law adds the definitions of  
23 "commission" and "commissioners court" for drafting  
24 convenience and to eliminate frequent, unnecessary  
25 repetition of the substance of the definitions.

26 Revised Law

27 Sec. 9501.002. AUTHORITY TO ESTABLISH COMMISSION. (a) The  
28 commissioners court and the governing body of a municipality in  
29 Matagorda County by resolution may establish a seawall commission  
30 to perform the functions described by Section 421.002, Local  
31 Government Code.

32 (b) A resolution authorized by Subsection (a) must specify  
33 the date on which the commission is established. (Loc. Gov. Code,  
34 Secs. 421.021(a), (b).)



1 SUBCHAPTER B. COMMISSION

2 Revised Law

3 Sec. 9501.051. COMMISSION; TERMS. The commission is  
4 composed of three members appointed for staggered terms of six  
5 years, with one member's term expiring every two years. (Loc. Gov.  
6 Code, Sec. 421.022(a).)

7 Source Law

8 Sec. 421.022. MEMBERSHIP OF SEAWALL COMMISSION.  
9 (a) The seawall commission is composed of three  
10 members appointed for staggered terms of six years,  
11 with one member's term expiring every two years.

12 Revised Law

13 Sec. 9501.052. APPOINTMENT OF MEMBERS; VACANCY. (a) The  
14 members of the commission shall be appointed as follows:

15 (1) one member by the commissioners court;

16 (2) one member by the governing body of the  
17 municipality; and

18 (3) one member by the commissioners court and the  
19 governing body of the municipality, acting jointly.

20 (b) On expiration of a member's term of office, the office  
21 shall be filled by the authority that originally appointed the  
22 member.

23 (c) If a vacancy occurs during the term, it shall be filled  
24 for the remainder of the term by the original appointing authority.  
25 (Loc. Gov. Code, Sec. 421.022(b).)

26 Source Law

27 (b) The governing body of the municipality and  
28 the Commissioners Court of Matagorda County each shall  
29 appoint one member. The governing body and the  
30 commissioners court, acting jointly, shall appoint the  
31 third member. On the expiration of a member's term of  
32 office, the office shall be filled by the authority  
33 that originally appointed the member. If a vacancy  
34 occurs during the term, it shall be filled for the  
35 remainder of the term by the original appointing  
36 authority.

37 Revised Law

38 Sec. 9501.053. ELIGIBILITY FOR APPOINTMENT. To be eligible  
39 for appointment as a member of the commission, a person must own  
40 real property in and be a qualified voter of the area in which the

1 commission has jurisdiction. (Loc. Gov. Code, Sec. 421.022(c).)

2 Source Law

3 (c) To be eligible for appointment as a member  
4 of the seawall commission, a person must reside in, own  
5 real property in, and be a qualified voter of the area  
6 in the jurisdiction of the commission.

7 Revisor's Note

8 Section 421.022(c), Local Government Code,  
9 requires a member of the commission to be a "resident"  
10 and a "qualified voter" of the area in which the  
11 commission has jurisdiction. The revised law omits  
12 the reference to the residency requirement as  
13 unnecessary since a person who is a "qualified voter"  
14 of the area must also be a "resident" of the area.

15 Revised Law

16 Sec. 9501.054. OATH. (a) Before assuming the duties of  
17 office, each member must:

18 (1) take the constitutional oath of office and swear  
19 in writing before the county judge that the member will faithfully  
20 and impartially discharge the duties of the office; and

21 (2) on the request of the commissioners court or the  
22 governing body of the municipality, give an account of the member's  
23 activities.

24 (b) The clerk of the county court shall file and maintain  
25 the oath of office as part of the records of the commission. (Loc.  
26 Gov. Code, Secs. 421.0221(a), (b).)

27 Source Law

28 Sec. 421.0221. OATH; BOND; COMPENSATION. (a)  
29 Before undertaking the duties of a seawall  
30 commissioner, a person must take the official oath and  
31 swear in writing before the county judge that the  
32 person will discharge faithfully and impartially the  
33 duties of seawall commissioner and, on the request of  
34 the Commissioners Court of Matagorda County or the  
35 governing body of the municipality, give an account of  
36 the member's activities.

37 (b) The clerk of the county court shall file and  
38 maintain the oath as part of the records of the seawall  
39 commission.

40 Revisor's Note

41 Section 421.0221(a), Local Government Code,

1 requires a person appointed to a seawall commission  
2 established under Section 421.021, Local Government  
3 Code, revised as Section 9501.002, to take "the  
4 official oath," meaning the constitutional oath of  
5 office required by Section 1, Article XVI, Texas  
6 Constitution. The revised law substitutes  
7 "constitutional" for "official" for greater clarity  
8 and the convenience of the reader.

9 Revised Law

10 Sec. 9501.055. BOND. Each member of the commission shall  
11 execute a bond in the amount of \$1,000 that is:

12 (1) payable to the county judge for the benefit of the  
13 commission; and

14 (2) conditioned on the faithful performance of the  
15 member's official duties. (Loc. Gov. Code, Sec. 421.0221(c).)

16 Source Law

17 (c) A seawall commissioner must execute a bond,  
18 payable to the county judge for the benefit of the  
19 seawall commission, in the amount of \$1,000. The bond  
20 must be conditioned on the faithful performance of the  
21 commissioner's official duties.

22 Revised Law

23 Sec. 9501.056. PRESIDING OFFICER. (a) The members of the  
24 commission shall annually elect one member as presiding officer.

25 (b) The presiding officer shall:

26 (1) preside over commission meetings; and

27 (2) sign each contract, warrant, or other instrument  
28 made or issued by the commission. (Loc. Gov. Code, Sec.  
29 421.022(e).)

30 Source Law

31 (e) The members of the commission annually shall  
32 elect one member as chairman. The chairman shall:

33 (1) preside over the meetings of the  
34 commission; and

35 (2) sign each contract, warrant, or other  
36 instrument made or issued by the commission.

37 Revisor's Note

38 Section 421.022(e), Local Government Code,

1 requires the members of a seawall commission  
2 established under Section 421.021, Local Government  
3 Code, revised as Section 9501.002, to elect a  
4 "chairman." The revised law substitutes "presiding  
5 officer" for "chairman" because in context the terms  
6 are synonymous and the former is more modern and is  
7 gender neutral.

#### 8 Revised Law

9 Sec. 9501.057. COMPENSATION; CERTIFIED REPORT. (a) The  
10 commissioners court and the governing body of the municipality by  
11 order or resolution shall set the compensation of members of the  
12 commission. The amount of compensation for each member may not  
13 exceed \$50 for each day that the member attends an official meeting  
14 of the commission. The total amount of compensation for each member  
15 each month may not exceed \$300.

16 (b) Each member shall submit to the county auditor for each  
17 pay period a certified report that describes in detail each time the  
18 member attended an official meeting of the commission. The report  
19 must be submitted on a date prescribed by the commissioners court  
20 and the governing body of the municipality. (Loc. Gov. Code, Secs.  
21 421.0221(d), (e).)

#### 22 Source Law

23 (d) The commissioners court and the governing  
24 body of the municipality by order or resolution shall  
25 set the amount of compensation for a seawall  
26 commissioner not to exceed \$50 a day for each official  
27 meeting of the seawall commission, not to exceed \$300  
28 for each seawall commissioner per month.

29 (e) On a day prescribed by the commissioners  
30 court and the governing body for each pay period of a  
31 seawall commissioner, the seawall commissioner shall  
32 submit to the county auditor a certified report  
33 describing in detail the times that the commissioner  
34 attended an official meeting of the seawall  
35 commission.

#### 36 Revised Law

37 Sec. 9501.058. REMOVAL FROM OFFICE. The commissioners  
38 court and the governing body of the municipality, by a majority vote  
39 in a joint session, may remove a member of the commission from  
40 office only for malfeasance. (Loc. Gov. Code, Sec. 421.022(d).)

1 Source Law

2 (d) The governing body of the municipality and  
3 the commissioners court, by a majority vote in a joint  
4 session, may remove a member of the commission from  
5 office only for malfeasance.

6 Revised Law

7 Sec. 9501.059. TREASURER. The county treasurer of  
8 Matagorda County shall serve as treasurer of the commission. (Loc.  
9 Gov. Code, Sec. 421.022(f).)

10 Source Law

11 (f) The county treasurer of Matagorda County  
12 shall serve as the commission treasurer.

13 Revised Law

14 Sec. 9501.060. AUDITOR. The county auditor for Matagorda  
15 County is the auditor for the commission. (Loc. Gov. Code, Sec.  
16 421.024(b).)

17 Source Law

18 (b) The county auditor for Matagorda County is  
19 the auditor for the seawall commission.

20 Revised Law

21 Sec. 9501.061. EMPLOYMENT OF ATTORNEY. The commission may  
22 employ an attorney for legal services required by the commission.  
23 (Loc. Gov. Code, Sec. 421.023(j).)

24 Source Law

25 (j) The commission may employ an attorney for  
26 legal services required by the commission.

27 [Sections 9501.062-9501.100 reserved for expansion]

28 SUBCHAPTER C. POWERS AND DUTIES

29 Revised Law

30 Sec. 9501.101. COMMISSION POWERS. The commission may  
31 exercise the authority granted to a county or municipality under  
32 Section 421.002, 421.003, 421.004, or 421.005 or Section 421.011(a)  
33 or (b), Local Government Code. (Loc. Gov. Code, Sec. 421.023(g).)

34 Source Law

35 (g) The commission may exercise any of the  
36 authority granted to a county or municipality under  
37 Section 421.002, 421.003, 421.004, or 421.005 or  
38 Section 421.011(a) or (b).

1 Revised Law

2 Sec. 9501.102. AUTHORITY TO CONTRACT. The commission may  
3 enter into a contract relating to the performance of any function  
4 described by Section 421.002, Local Government Code. (Loc. Gov.  
5 Code, Sec. 421.023(e).)

6 Source Law

7 (e) The commission may enter into a contract  
8 relating to the performance of any of the functions  
9 described by Section 421.002.

10 Revised Law

11 Sec. 9501.103. PURCHASING AND CONTRACTING. The commission,  
12 in the performance of functions under this chapter, has the same  
13 powers granted to a county under Subchapter C, Chapter 262, and  
14 Chapter 271, Local Government Code, and is subject to the same  
15 requirements imposed on a county under those provisions. (Loc.  
16 Gov. Code, Sec. 421.025.)

17 Source Law

18 Sec. 421.025. PURCHASING AND CONTRACTING. The  
19 commission, in the performance of functions under this  
20 subchapter, has the powers and is subject to the  
21 requirements that are equivalent to those applicable  
22 to counties under Subchapter C, Chapter 262, or under  
23 Chapter 271.

24 Revised Law

25 Sec. 9501.104. ANNUAL REPORT REQUIRED. The commission  
26 shall annually submit a report to the commissioners court and the  
27 governing body of the municipality. The report must:

28 (1) describe the commission's financial condition and  
29 operations during the preceding year;

30 (2) propose a budget for the following year; and

31 (3) describe generally the work proposed for the  
32 following year. (Loc. Gov. Code, Sec. 421.023(d).)

33 Source Law

34 (d) The commission shall submit an annual report  
35 to the county and the municipality, describing its  
36 financial condition and its operations during the  
37 preceding year, proposing a budget for the next year,  
38 and describing generally the work proposed for the  
39 next year.

1 Revised Law

2 Sec. 9501.105. CONDEMNATION PROCEEDINGS. (a) A  
3 condemnation proceeding brought by the commission must be brought  
4 in the name of the commission and under the direction of the  
5 commission.

6 (b) An appeal from a finding and assessment of damages as  
7 provided by Chapter 21, Property Code, does not suspend work of the  
8 commission. (Loc. Gov. Code, Sec. 421.023(i).)

9 Source Law

10 (i) Condemnation proceedings must be instituted  
11 in the name of the commission and under the direction  
12 of the commission. An appeal from a finding and  
13 assessment of damages as prescribed by Chapter 21,  
14 Property Code, does not suspend work of the  
15 commission.

16 [Sections 9501.106-9501.150 reserved for expansion]

17 SUBCHAPTER D. FINANCIAL PROVISIONS

18 Revised Law

19 Sec. 9501.151. AD VALOREM TAX. (a) The commission may  
20 impose an ad valorem tax on real property within the commission's  
21 jurisdiction.

22 (b) The commission shall determine the tax rate, which may  
23 not exceed 10 cents for each \$100 valuation of property.

24 (c) Revenue from the tax may be used only to pay for  
25 functions of the commission. (Loc. Gov. Code, Secs. 421.023(a),  
26 (b), (c).)

27 Source Law

28 Sec. 421.023. POWERS AND DUTIES OF SEAWALL  
29 COMMISSION. (a) The commission may impose a tax on  
30 the real property within its jurisdiction.

31 (b) The tax is at a rate to be determined by the  
32 commission but not to exceed 10 cents for each \$100  
33 valuation of the property.

34 (c) Tax revenue may be used only to finance  
35 functions of the commission.

36 Revisor's Note

37 Section 421.023(a), Local Government Code,  
38 authorizes a seawall commission established under  
39 Section 421.021, Local Government Code, revised as  
40 Section 9501.002, to impose a "tax" on the real

1 property within the commission's jurisdiction. The  
2 revised law specifies that the tax is an "ad valorem  
3 tax" because it is clear from the context that the tax  
4 is a property tax and "ad valorem" is the term most  
5 commonly used in relation to a property tax.

6 Revised Law

7 Sec. 9501.152. ASSESSMENT AND COLLECTION OF TAXES. The  
8 county tax assessor and collector shall assess and collect taxes  
9 imposed by the commission in the manner provided by law for the  
10 assessment and collection of county taxes. (Loc. Gov. Code, Sec.  
11 421.024(a).)

12 Source Law

13 Sec. 421.024. TAX ASSESSMENT AND COLLECTION;  
14 AUDIT. (a) The county tax assessor and collector of  
15 Matagorda County shall assess and collect taxes levied  
16 by the commission in the manner provided by law for the  
17 assessment and collection of county taxes.

18 Revisor's Note

19 Section 421.024, Local Government Code, refers to  
20 taxes that have been "levied." The revised law  
21 substitutes "imposed" for "levied" because "impose" is  
22 the term generally used in Title 1, Tax Code, and  
23 includes the levy of a tax.

24 Revised Law

25 Sec. 9501.153. DISBURSEMENT OF FUNDS. The commission may  
26 disburse funds set aside by the commissioners court and the  
27 governing body of the municipality for the performance of the  
28 commission's functions. (Loc. Gov. Code, Sec. 421.023(f).)

29 Source Law

30 (f) The commission may disburse funds set aside  
31 by the municipality and the county for the performance  
32 of its functions.

33 [Chapters 9502-11000 reserved for expansion]

34 SUBTITLE X. DISTRICTS WITH COMBINED POWERS

35 CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY WATER

36 CONTROL AND IMPROVEMENT DISTRICT NO. 2

37 Sec. 11001.001. DEFINITIONS . . . . . 871



1 understanding. Throughout this chapter, the revised  
2 law instead refers to the City of Bastrop and Bastrop  
3 County. The omitted law reads:

- 4 (2) "City" means the City of  
5 Bastrop.  
6 (3) "County" means Bastrop  
7 County.

8 Revised Law

9 Sec. 11001.002. ROAD DISTRICT POWERS AND DUTIES. (a) The  
10 district has all of the rights, powers, privileges, functions,  
11 responsibilities, and duties that general law grants a road  
12 district created under Section 52, Article III, Texas Constitution.

13 (b) The board, within the district's boundaries, may  
14 exercise the powers that the commissioners court of a county may  
15 exercise under Chapter 257, Transportation Code, to the extent that  
16 chapter can be applied.

17 (c) To the extent this chapter conflicts with general law,  
18 this chapter controls. (Acts 75th Leg., R.S., Ch. 47, Sec. 2.)

19 Source Law

20 Sec. 2. (a) The district has all of the rights,  
21 powers, privileges, functions, responsibilities, and  
22 duties that the general law grants a road district  
23 created under Section 52, Article III, Texas  
24 Constitution. The governing body of the district has  
25 within the district's boundaries the powers that  
26 Chapter 257, Transportation Code, grants a county  
27 commissioners court within its jurisdiction, to the  
28 extent that chapter can be applied.

29 (b) To the extent this Act conflicts with any  
30 provision of general law, this Act controls.

31 Revised Law

32 Sec. 11001.003. MASTER PLAN APPROVAL AND ADOPTION. (a) The  
33 district shall adopt a master plan for all road improvements.

34 (b) The district shall submit the master plan to the  
35 governing bodies of the City of Bastrop and Bastrop County before  
36 the plan is adopted.

37 (c) The district may not adopt the master plan until the  
38 plan is approved by the governing body of:

- 39 (1) the City of Bastrop, for improvements to be made in  
40 the city's jurisdiction; and



- 1 (B) the sequence of the improvements;  
2 (C) the estimated date of completion of each  
3 phase of the proposed improvements;  
4 (D) the estimated cost of each phase of the  
5 proposed improvements;  
6 (E) an analysis of the district's projected  
7 revenues compared with the projected costs; and  
8 (F) a proposed timetable for completion of the  
9 proposed improvements. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(b).)

10 Source Law

- 11 (b) The master plan must include:  
12 (1) a map of the district boundaries that  
13 shows:  
14 (A) the proposed improvements; and  
15 (B) how the proposed improvements  
16 would connect to other entities' road and drainage  
17 systems; and  
18 (2) a written plan that contains:  
19 (A) general objectives for  
20 establishing the proposed improvements;  
21 (B) the sequence of the improvements;  
22 (C) the estimated date of completion  
23 of each phase of the proposed improvements;  
24 (D) the estimated cost of each phase  
25 of the proposed improvements;  
26 (E) an analysis of the district's  
27 projected revenues compared with the projected costs;  
28 and  
29 (F) a proposed timetable for  
30 completion of the work identified in the master plan.

31 Revised Law

32 Sec. 11001.005. MASTER PLAN IMPLEMENTATION. The district  
33 shall make all road improvements in accordance with the master  
34 plan. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(a) (part).)

35 Source Law

- 36 Sec. 3. (a) The district shall:  
37 . . .  
38 (2) make all road improvements in  
39 accordance with the master plan.

40 Revised Law

41 Sec. 11001.006. MASTER PLAN ANNUAL HEARING. The district  
42 shall conduct an annual public hearing on revisions to the master  
43 plan to inform the public and provide opportunity for public  
44 comment. (Acts 75th Leg., R.S., Ch. 47, Sec. 5.)

1 Source Law

2 Sec. 5. The district shall conduct an annual  
3 public hearing on revisions to the master plan to:

- 4 (1) inform the public; and  
5 (2) provide opportunity for public  
6 comment.

7 Revised Law

8 Sec. 11001.007. MONTHLY CHARGES. (a) The board may impose  
9 a monthly charge of five dollars for each developed or undeveloped  
10 lot, tract, or reserve in the district.

11 (b) Money received from the monthly charge must be used for  
12 constructing, maintaining, or repairing public streets or roadways  
13 in the district.

14 (c) Of the money received under Subsection (a):

15 (1) not more than 10 percent may be used for  
16 administrative purposes; and

17 (2) not more than 15 percent may be used for road  
18 maintenance. (Acts 75th Leg., R.S., Ch. 47, Sec. 6.)

19 Source Law

20 Sec. 6. (a) The board may impose a monthly  
21 charge of five dollars for each developed or  
22 undeveloped lot, tract, or reserve. The charge must be  
23 used for constructing, maintaining, or repairing  
24 public streets or roadways in the district.

25 (b) Of the money collected under Subsection (a)  
26 of this section, not more than:

27 (1) 10 percent may be used for  
28 administrative purposes; and

29 (2) 15 percent may be used for road  
30 maintenance.

31 Revised Law

32 Sec. 11001.008. CITY OR COUNTY APPROVAL OF PLANS AND  
33 SPECIFICATIONS. (a) The district shall submit for the approval of  
34 the governing body of the City of Bastrop or Bastrop County, as  
35 appropriate, all road plans and specifications before the district  
36 begins construction.

37 (b) The plans and specifications are considered approved if  
38 the governing body to which they are presented does not by  
39 resolution disapprove of them before the 22nd day after the date on  
40 which they are presented.

41 (c) In reviewing plans or specifications for construction

1 in a subdivision, the City of Bastrop or Bastrop County shall  
2 generally apply, as a minimum standard, the standard the city or  
3 county applied to review similar plans or specifications at the  
4 time the subdivision was created. If the plans or specifications  
5 exceed that minimum standard, the standard for approval shall be  
6 based on good engineering practices related to subjects such as  
7 vehicle and pedestrian safety, soil and terrain variables,  
8 watershed impacts, projected traffic use, and future maintenance  
9 requirements. (Acts 75th Leg., R.S., Ch. 47, Sec. 8.)

10 Source Law

11 Sec. 8. (a) The district shall present for the  
12 approval of the governing body of the city or county,  
13 as appropriate, all road plans and specifications  
14 before the district begins construction.

15 (b) The plans and specifications are considered  
16 approved if the governing body to which they are  
17 presented does not by resolution disapprove of them  
18 before the 22nd day after the date on which they are  
19 presented.

20 (c) In reviewing plans or specifications for  
21 construction in a subdivision, the city or county  
22 shall generally apply, as a minimum standard, the  
23 standard the city or county applied to review similar  
24 plans or specifications at the time the subdivision  
25 was created. If the specifications exceed that  
26 minimum standard, the standard for approval shall be  
27 based on good engineering practices related to  
28 subjects such as vehicle and pedestrian safety, soil  
29 and terrain variables, watershed impacts, projected  
30 traffic use, and future maintenance requirements.

31 Revised Law

32 Sec. 11001.009. INSPECTIONS, SAMPLING, AND TESTING. (a)  
33 The City of Bastrop or Bastrop County may:

34 (1) perform reasonable inspections, gather and test  
35 samples, and perform other testing; or

36 (2) require the district or the contractor for the  
37 work to perform reasonable inspections, gather and test samples,  
38 and perform other testing.

39 (b) The district may include the cost of inspecting,  
40 sampling, and testing in the bid specifications. If the district  
41 includes the costs in the bid specifications, the costs are  
42 allowable charges for spending road money. (Acts 75th Leg., R.S.,  
43 Ch. 47, Sec. 9.)



1 allocated for permanent improvements; and

2 (6) approve expenditures for necessary maintenance.

3 (Acts 75th Leg., R.S., Ch. 47, Sec. 11.)

4 Source Law

5 Sec. 11. The district may:

6 (1) select professional and consultant  
7 personnel for engineering, legal, and other necessary  
8 support services;

9 (2) select and approve work contractors  
10 and subcontractors;

11 (3) supervise road and drainage work in  
12 the district;

13 (4) contract in accordance with state law  
14 to carry out the improvements provided by the master  
15 plan, including entering into a contract with a  
16 professional or contractor;

17 (5) supervise the cost-effective use of  
18 district money allocated for permanent improvements;  
19 and

20 (6) approve expenditures for necessary  
21 maintenance.

22 Revisor's Note

23 Section 11, Chapter 47, Acts of the 75th  
24 Legislature, Regular Session, 1997, provides that the  
25 district may contract "in accordance with state law."  
26 The revised law omits the quoted language as  
27 unnecessary because the provisions of state law  
28 require compliance without an express statement to  
29 that effect.

30 Revised Law

31 Sec. 11001.012. REPORT TO CERTAIN LEGISLATORS. The district  
32 annually shall present a report concerning road district activities  
33 to each state representative and each state senator who represents  
34 the area in the district's jurisdiction. The report must include:

35 (1) information regarding the progress of work during  
36 the preceding year;

37 (2) the amount of money spent during the preceding  
38 year;

39 (3) any revisions to the master plan; and

40 (4) a complete financial statement that lists all  
41 funds of the district and fund balances, expenditures, and interest  
42 earnings. (Acts 75th Leg., R.S., Ch. 47, Sec. 12.)

1 Source Law

2 Sec. 12. The district annually shall present a  
3 report concerning road district activities to each  
4 state representative and each state senator who  
5 represents the area in the district's jurisdiction.  
6 The report must include:

7 (1) information regarding the progress of  
8 work during the preceding year;

9 (2) the amount of revenue expended during  
10 the preceding year;

11 (3) any revisions to the master plan; and

12 (4) a complete financial statement that  
13 lists all funds of the district and fund balances,  
14 expenditures, and interest earnings.

15 Revised Law

16 Sec. 11001.013. TERMINATION OF ROAD DISTRICT AUTHORITY;  
17 DISTRIBUTION OF DISTRICT MONEY. (a) The road district authority  
18 under this chapter terminates when:

19 (1) all road improvements under the master plan are  
20 completed; and

21 (2) the City of Bastrop or Bastrop County, as  
22 appropriate, has accepted all road improvements in the district.

23 (b) On termination of the district's road district  
24 authority, the district shall give any money related to the  
25 district's road district authority that remains in the district's  
26 possession or control to the City of Bastrop or Bastrop County, as  
27 appropriate, for road maintenance in the district. The district  
28 shall send the money to the City of Bastrop or Bastrop County in the  
29 proportion that the number of miles of road improvements by the  
30 district accepted by the city or county bears to the total number of  
31 miles of road improvements by the district accepted by both the city  
32 and the county. (Acts 75th Leg., R.S., Ch. 47, Sec. 13.)

33 Source Law

34 Sec. 13. (a) The road district authority  
35 conferred on the district by this Act terminates when:

36 (1) all road improvements called for under  
37 the master plan, as adopted and amended by the  
38 district, are completed; and

39 (2) the appropriate governmental entities  
40 have accepted all road improvements in the district.

41 (b) When the conditions provided by Subsection  
42 (a) of this section are met, the district shall give  
43 any related money that remains in the district's  
44 possession or control to the appropriate governmental  
45 entities for road maintenance in the district. The  
46 district shall distribute the money to each

1 appropriate governmental entity in the proportion that  
2 the number of miles of road improvements by the  
3 district accepted by the entity bears to the total  
4 number of miles of road improvements by the district  
5 accepted by all governmental entities.

6 Revisor's Note

7 Section 13(a), Chapter 47, Acts of the 75th  
8 Legislature, Regular Session, 1997, refers to road  
9 improvements under the master plan, "as adopted and  
10 amended by the district." The quoted language is  
11 omitted as unnecessary because earlier sections in  
12 this chapter describe the master plan in detail and  
13 provide for the adoption and amendment of the master  
14 plan by the district.

15 Revisor's Note  
16 (End of Chapter)

17 Section 7, Chapter 47, Acts of the 75th  
18 Legislature, Regular Session, 1997, requires that the  
19 board obtain, at an election called and held for that  
20 purpose, the approval of a two-thirds majority of the  
21 voters of the district before the board may issue bonds  
22 or authorize a tax. Section 7 also requires that  
23 bonds, notes, or other obligations of the district not  
24 exceed one-fourth of the assessed valuation of real  
25 property in the district. The revised law omits these  
26 provisions as unnecessary because they duplicate  
27 Sections 52(a) and (b), Article III, Texas  
28 Constitution, applicable to the district. The policy  
29 of the legislative council's statutory revision  
30 program is to omit from the revised codes the  
31 duplicating statutory provisions because a statute  
32 that tracks the language of the constitution is not  
33 only superfluous but may foster the erroneous belief  
34 that a constitutional requirement is merely statutory  
35 and subject to amendment through the ordinary  
36 legislative process. The omitted law reads:

37 Sec. 7. (a) The board may not issue

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bonds or authorize a tax under this Act unless the bond or tax is approved by a two-thirds majority of the voters of the district who vote at an election called and held for that purpose.

(b) Bonds, notes, or other obligations of the district issued or incurred under this Act may not exceed one-fourth of the assessed valuation of the real property in the district.

1 APPENDIX A

2 CONFORMING AMENDMENTS

3 SECTION 2. CONFORMING AMENDMENT. Section 1, Chapter 120,  
4 Acts of the 60th Legislature, Regular Session, 1967, is amended to  
5 read as follows:

6 Sec. 1. The [~~Pursuant to authority granted by the~~  
7 ~~provisions of Section 9 of Article IX of the Constitution of the~~  
8 ~~State of Texas,~~] Angleton-Danbury Hospital District of Brazoria  
9 County, Texas, [~~is hereby authorized to be created in Brazoria~~  
10 ~~County, Texas, and as created~~] shall have the following boundaries:

11 BEGINNING at the southeasterly corner of the I. F. W. Curd  
12 Survey, Abstract 170, on the westerly shore line of West Bay at mean  
13 low tide;

14 THENCE southwesterly along the most southerly boundary line  
15 of said Curd Survey to its intersection with the northerly shore  
16 line of Bastrop Bay;

17 THENCE in a westerly direction along the shore lines of  
18 Bastrop Bay, Cox's Lake and Bastrop Bayou and along the southerly  
19 boundary line of said I. F. W. Curd Survey, the G. B. Brownrigg  
20 Survey, Abstract 150, the J. J. Calvington Survey, Abstract 427,  
21 the Juan Armendaris Survey, Abstract 405, and the F. Spann Survey,  
22 Abstract 373, to a point where an extension of the northwesterly  
23 boundary line of the B. F. Holt Survey, Abstract 592, would  
24 intersect the north bank of said bayou;

25 THENCE across Bastrop Bayou to the most northwesterly corner  
26 of said B. F. Holt Survey;

27 THENCE in a southerly direction along the western boundary  
28 line of said Holt Survey, the F. Pawpa Survey, Abstract 443, and the  
29 E. J. DeBard Survey, Abstract 673, to Big Slough;

30 THENCE up Big Slough with its meanders to a point in the west  
31 boundary line of the Austin & Williams Survey, Abstract 145;

32 THENCE west to a point in the southeast right-of-way line of  
33 the H. & B. V. Railway right-of-way in the J. E. Groce 5-League  
34 Grant, Abstract 66;

1           THENCE in a northeasterly direction along the southeast line  
2 of said railway right-of-way to Bastrop Bayou and continuing on the  
3 same course across said bayou to its northeasterly shore line at  
4 mean low tide;

5           THENCE northwesterly across said right-of-way to its  
6 northwesterly line on the shore of said bayou;

7           THENCE southwesterly crossing said bayou and following the  
8 northwest right-of-way line of the said railway to the center of  
9 Oyster Creek;

10          THENCE up the center of Oyster Creek to a point which is due  
11 south of the southwest corner of the S. F. Austin Survey, Abstract  
12 22;

13          THENCE in a northerly direction to the Southwestern corner of  
14 S. F. Austin Survey, Abstract 22, and continuing in a northerly  
15 direction with the west boundary line of said Austin Survey and the  
16 east boundary of the J. E. Groce 5-League Grant to its intersection  
17 with the center of Bastrop Bayou;

18          THENCE up the center of Bastrop Bayou with its meanders  
19 crossing State Hwy. No. 288 and the H. and B. V. Railroad to a point  
20 for corner being an extension of the division line of J. T. Suggs  
21 398.14 acre tract and W. T. Galloway 280.66 acre tract;

22          THENCE West passing a concrete monument on the bank of  
23 Bastrop Bayou to a concrete monument on the Northwest corner of said  
24 398.14 acre tract and the Southwest corner of said 280.66 acre tract  
25 and in the East line of C. M. and Elane S. Frost 100 acre tract;

26          THENCE North along West line of W. T. Galloway's 280.66 acre  
27 tract and the East line of C. M. and Elane S. Frost 100 acre tract,  
28 the Marmion Estate 100 acre tract and William Franklin and DeWitt C.  
29 Baker, Jr., 57.4 acre tract to the center of Bastrop Bayou;

30          THENCE up the center line of Bastrop Bayou to a point in the  
31 East line of J. T. Suggs 450 acre tract;

32          THENCE North along the East line of J. T. Suggs 450 acre tract  
33 and the West line of 128.55 acre tract to the Southeast corner of H.  
34 E. Merchant 244 acre tract;

1           THENCE West along the South line of H. E. Merchant 244 acre  
2 tract and The Texas Company's 300 acre tract to the Southwest corner  
3 of said 300 acre Texas Company tract and in the East line of The  
4 Retrieve Prison Farm 2405.27 acre tract;

5           THENCE North along the East line of said Prison Farm 2405.27  
6 acre tract and the West line of said 300 acre Texas Company tract to  
7 the N. W. corner of the 300 acre tract of the North line of the J. E.  
8 Groce 5-League Grant;

9           THENCE West with the North line of said J. E. Groce 5-League  
10 Grant to its Northwest corner and continuing West with the North  
11 line of the S. F. Austin 5-League Grant, Abstract No. 19 to its  
12 point of intersection with the center of Oyster Creek;

13           THENCE downstream with the center of Oyster Creek and its  
14 meanders to the point where the center of Oyster Creek crosses the  
15 common boundary line of the S. F. Austin and J. E. Groce Surveys for  
16 the fourth time, in the Retrieve State Prison Farm;

17           THENCE in a Northwesterly direction in a straight line to the  
18 Northeast corner of the Dow Chemical Company's 3,586.32 acre tract  
19 in said S. F. Austin 5-League Grant which is also an ell corner of  
20 said Retrieve State Prison Farm;

21           THENCE South with the common line between the Prison Farm and  
22 the Dow 3,586.32 acre tract to a point in such line which is due East  
23 from a point in the center of the Brazoria Reservoir Levee which  
24 said last named point is 200 feet North of the point of intersection  
25 of the center of said levee with the center line of Buffalo Camp  
26 Bayou;

27           THENCE from said point in the Dow & Prison Farm common  
28 boundary, due West to the point in the center of the Brazoria  
29 Reservoir Levee;

30           THENCE Southerly with the center line of said Levee to the  
31 Center of Buffalo Camp Bayou, approximately 200 feet;

32           THENCE up the center of Buffalo Camp Bayou to a point due east  
33 of the south line of the John P. Cole Survey, Abstract 55;

34           THENCE west to the southeast corner of said John P. Cole

1 Survey;

2           THENCE west along the south line of said John P. Cole Survey  
3 to the center of Middle Bayou;

4           THENCE up the center of Middle Bayou with its meanders to a  
5 point where the center line of said Bayou intersects the south line  
6 of the Samuel Carter League, Abstract 53;

7           THENCE in an easterly direction along the south boundary line  
8 of said Carter League to its southeast corner;

9           THENCE in a northerly direction along its eastern boundary  
10 line to its northeast corner;

11           THENCE in a westerly direction along its northern boundary  
12 line to the southeast corner of the J. B. Bailey League, Abstract  
13 38;

14           THENCE in a Northerly direction along the eastern boundary  
15 line of said J. B. Bailey League and continuing past its northeast  
16 corner on the same course to the middle line of the William Roberts  
17 League, Abstract 124;

18           THENCE west along the north line of the lower half of the  
19 William Roberts League and continuing on the same course to the  
20 center of the Brazos River;

21           THENCE up the center of the Brazos River with its meanders to  
22 a point in the said river due west of the northwest corner of the  
23 Francis Bingham League; Abstract 43;

24           THENCE east to the northwest corner of said Bingham League  
25 and continuing along the northern boundary line of said league to  
26 its northeast corner;

27           THENCE in a southerly direction along the eastern boundary  
28 line of said Bingham League and the A. McFarland League, Abstract  
29 86, to its southeast corner;

30           THENCE southerly on the same course across the David Tally  
31 League, Abstract 130, and the Chester S. Gorbett League, Abstract  
32 64, to the northwest corner of the Lavaca Navigation Company  
33 Survey, Abstract 327;

34           THENCE in a southerly direction along the western boundary

1 line of said Lavaca Navigation Company Survey, to its southwest  
2 corner;

3       THENCE in an easterly direction along the southern boundary  
4 line of said Lavaca Navigation Company Surveys, Abstracts 327 and  
5 536, to the most southeasterly corner thereof, same being the  
6 northeast corner of H. T. & B. Survey, Abstract 535;

7       THENCE in a southerly direction along the western boundary  
8 line of H. T. & B. Survey, Abstract 236, to the southwest corner of  
9 H. T. & B. Survey, Abstract 236;

10       THENCE in an easterly direction along the southern boundary  
11 lines of H. T. & B. Surveys, Abstracts 236, 555, 253, 556 and 254,  
12 and continuing on the same course to the southerwestern boundary  
13 line of the Francis Moore League, Abstract 100;

14       THENCE in a southeasterly direction along the southwestern  
15 boundary line of said Francis Moore League to its most southwestern  
16 corner in the northwesterly boundary line of the S. T. Angier  
17 League, Abstract 7;

18       THENCE in a southwesterly direction along the northwestern  
19 boundary line of said Angier League to its most northwesterly  
20 corner;

21       THENCE in a southeasterly direction along its southwesterly  
22 boundary line to the southwest corner thereof;

23       THENCE in an easterly direction along its southeastern  
24 boundary line to the northwestern corner of H. T. & B. Survey,  
25 Abstract 277;

26       THENCE in a southeasterly direction along the southwestern  
27 boundary line of said H. T. & B. Survey 277 to its most  
28 southwesterly corner and continuing in the same direction along the  
29 southwestern boundary line of H. T. & B. Survey, Abstract 519, to  
30 the most northwesterly corner of H. T. & B. Survey, Abstract 520;

31       THENCE in a northeasterly direction along the northwesterly  
32 boundary line of H. T. & B. Survey, Abstract 520, H. T. & B. Survey,  
33 Abstract 260, and continuing on the same course across the Day Land  
34 & Cattle Company Survey, Abstract 603, to a point for corner in its

1 northeasterly boundary line;

2           THENCE in a southeasterly direction along its northeasterly  
3 boundary line to its most southeasterly corner and continuing on  
4 the same course along the boundary line of the Day Land & Cattle  
5 Company Survey, Abstract 601, to the north boundary line of the L.  
6 F. Tomlinson Survey, Abstract 374;

7           THENCE in a southwesterly direction along said boundary line  
8 to the northwest corner of the Arrington 75 acre tract;

9           THENCE in a southeasterly direction along the southwestern  
10 boundary line of said Arrington tract to its most southwestern  
11 corner;

12           THENCE in a southwesterly direction along the north boundary  
13 line of Lot 2 in Block 4 in said Tomlinson Survey to the most  
14 northwesterly corner of said lot;

15           THENCE in a southeasterly direction along the southwestern  
16 boundary line of said Lot 2 to its most southwesterly corner;

17           THENCE in a southwesterly direction along the southern  
18 boundary line of Lot 3 in Block 4 of a subdivision in said Tomlinson  
19 Survey to the northeast corner of a 291 acre tract known as the  
20 Kempner and Davis Tract in Block 5;

21           THENCE in a southeasterly direction along the eastern  
22 boundary line of said Kempner and Davis tract to its most  
23 southeastern corner and the north line of the L. A. Morton League,  
24 Abstract 101;

25           THENCE in a southeasterly direction across said Morton League  
26 to the Northwest corner of Lot 1 of the Coast Development Company  
27 Subdivision in the H. Austin League, Abstract 11;

28           THENCE in a southeasterly direction along the western  
29 boundary line of Lots 1, 2, 3, 4, 27, 28, 29 and 30 of said Coast  
30 Development Company Subdivision to a point for corner;

31           THENCE in an easterly direction along the southeastern  
32 boundary line of Lots 30 and 31 to the northwest corner of the G. J.  
33 Swickheimer 160 acre tract;

34           THENCE in a southeasterly direction along the southwestern

1 boundary line of said G. J. Swickheimer tract to its most  
2 southwesterly corner;

3 THENCE along the southeastern boundary line of said tract to  
4 its most southeasterly corner;

5 THENCE in a northeasterly direction to the southwestern  
6 corner of Lot 9 of the J. H. Everett Subdivision in said Austin  
7 League;

8 THENCE in a northeasterly direction along the southeastern  
9 boundary line of said Everett Subdivision and the Coast Development  
10 Company Subdivision to the west bank of Chocolate Bayou;

11 THENCE in a generally southwesterly direction with the  
12 meanders of said west bank of Chocolate Bayou and with the westerly  
13 shore line of West Bay at mean low tide to the southeasterly corner  
14 of the I. F. W. Curd Survey, Abstract 170, the PLACE OF BEGINNING.

15 ~~[The Legislature hereby finds that the foregoing boundaries and~~  
16 ~~field notes of said District form a closure, and, if any mistake is~~  
17 ~~made in copying the field notes in the legislative process, such~~  
18 ~~mistake shall not affect the organization, existence or validity of~~  
19 ~~the District or its right to issue bonds or refunding bonds, and the~~  
20 ~~right to assess, levy and collect taxes, or in any other manner~~  
21 ~~affect the legality or operation of the District.]~~

22 SECTION 3. CONFORMING AMENDMENT. Section 1, Chapter 411,  
23 Acts of the 58th Legislature, Regular Session, 1963, is amended to  
24 read as follows:

25 Sec. 1. The boundaries ~~[Pursuant to the provisions of~~  
26 ~~Section 9 of Article IX of the Constitution of the State of Texas,~~  
27 ~~this Act shall be operative so as to authorize the creation,~~  
28 ~~establishment, maintenance, and operation]~~ of the Booker Hospital  
29 District~~[, the boundaries of which]~~ are described as follows, to  
30 wit:

31 BEGINNING at the Northwest corner of Lipscomb County where  
32 county boundary lines between Ochiltree County and Lipscomb County  
33 intersect the state boundary line between Texas and Oklahoma, and  
34 running due south along said county line to the Southwest corner of

1 Lipscomb County;

2           THENCE East along the county boundary line between Lipscomb  
3 County and Hemphill County to its intersection with the eastern  
4 boundary line of Section 66 of Block 43 of the Houston and Texas  
5 Central R. R. Survey;

6           THENCE Northerly along the eastern boundaries of Sections 66,  
7 111, 154, 199, 242, 287, 330, 375, 418, 463, 506, 551, 594, 639,  
8 682, 727, 770, 815, 858, 903, 946, 991, 1034, 1079, 1122, and 1167  
9 of Block 43 of the Houston and Texas Central R. R. Survey to the  
10 point of intersection of the eastern boundary of said Section 1167  
11 with the south boundary of Section 155 of Block 10 of the Southern  
12 Pacific R. R. Survey;

13           THENCE West along the South boundary of Section 155 of Block  
14 10 of the Southern Pacific R. R. Survey to its point of intersection  
15 with the east boundary of Section 154 of said survey;

16           THENCE North along the east boundary of said Section 154 and  
17 continuing north along the east boundaries of Sections 111, 66 and  
18 23 of Block 10 of the Houston Tap and Brazoria R. R. Survey to the  
19 point of the intersection of that line with the Southern boundary of  
20 the W. P. Wiser Survey.

21           THENCE continuing north along the projection of the east  
22 boundary line of Section 23 of Block 10 of the Houston Tap and  
23 Brazoria R. R. Survey to the state boundary line.

24           THENCE West along the state boundary line between Texas and  
25 Oklahoma to the point of beginning.

26           SECTION 4. CONFORMING AMENDMENT. Section 3, Chapter 183,  
27 Acts of the 56th Legislature, Regular Session, 1959 (Article  
28 8280-222, Vernon's Texas Civil Statutes), is amended to read as  
29 follows:

30           Sec. 3. TERRITORY           COMPRISING           THE           DISTRICT. The  
31 Aquilla-Hackberry Creek Conservation District [~~hereby created and~~  
32 ~~established~~], situated wholly within Hill and McLennan Counties,  
33 shall comprise all territory located within the boundaries  
34 described as follows, except lands situated within the limits of

1 incorporated cities, or towns, of Abbott, Hillsboro, Itasca, and  
2 West, Texas:

3 BEGINNING at the point of intersection of the Hill-Johnson  
4 County line and the East line of 113.2 acre tract in the Mary  
5 Carothers Survey, A-114, Hill County, Texas, owned by John D.  
6 Harper et al.

7 THENCE S. 30 E. with said Harpers east line 2500 feet, to the  
8 South line of a County road;

9 THENCE N. 60 E. with said road line 3125 feet to point in East  
10 line of said Carothers Survey;

11 THENCE S. 30 E. with said survey line 4250 feet to its S.E.  
12 corner;

13 THENCE S. 60 W. with South line of said survey 500 feet to  
14 N.E. corner of Lewis A. Reynold Survey, A-752;

15 THENCE S. 30 E. at 11,750 feet pass the S.E. corner of said  
16 Reynolds Survey, at 17,625 feet pass the S.W. corner of John Clary  
17 Survey, A-118, in all 22,700 feet to S.W. corner of Smith Newton  
18 Survey, A-690, which point is in the North line of a public road;

19 THENCE N. 60 E. with South line of said Newton Survey 10,750  
20 feet to its S.E. corner of said corner being also in West line of  
21 McKinney & Williams Survey, A-665;

22 THENCE S. 30 E. with said west line 2750 feet to S.W. corner  
23 of said survey;

24 THENCE N. 60 E. 1150 feet to a point in said south survey  
25 line, said point also being the N.E. corner of Sterling R. Barnes  
26 Survey A-74;

27 THENCE S. 30 E. 2650 feet to a point in East line of said  
28 Barnes Survey, said point being the S.W. corner of a 63.65 acre  
29 tract in M. L. Barnes Survey, A-73, once owned by C. B. Hill;

30 THENCE N. 60 E. 2800 feet with the south lines of Hills 63.65  
31 acre tract and 58.8 acre tract to S.E. corner of the latter in the  
32 East line of said M. L. Barnes Survey;

33 THENCE S. 30 E. 500 feet to the N.W. corner of Don Herlin's  
34 100 acre tract in the Henry Sikes Survey, A-817;

1           THENCE N. 60 E. with said Herlins North line 3925 feet to his  
2 N.E. corner in the East line of said survey;

3           THENCE S. 30 E. with East line of said Survey 3300 feet to its  
4 S.E. corner, being also the N.W. corner of J. P. Rushing Survey,  
5 A-785, continuing same course with west line of last named Survey  
6 5280 feet or 8580 feet in all to its S.W. corner in North line of a  
7 Public road;

8           THENCE N. 60 E. with said North line of road 10,050 feet to  
9 N.E. corner of J. A. England's 109 acre tract in J. P. Rushing  
10 Survey, A-786, said corner being in North line of said survey;

11           THENCE S. 30 E. with England's east line 2950 feet to his S.E.  
12 corner in South line of said survey, being also the most easterly  
13 N.E. corner of B. B. B. & C. R. R. Co. Survey, A-105;

14           THENCE S. 30 E. with East line of said Survey 3050 feet to an  
15 outside ell corner of same;

16           THENCE S. 60 W. 850 feet to an inside ell corner of said  
17 survey;

18           THENCE S. 30 E. at 690 feet pass the most southerly S.E.  
19 corner of said survey, continuing same course in all 1775 feet to an  
20 inside ell corner of Geo. McDaniel Survey, A-633;

21           THENCE S. 60 W. 260 feet to the most westerly N.W. corner of  
22 said survey;

23           THENCE S. 30 E. 1650 feet to S.W. corner of survey;

24           THENCE N. 60 E. 600 feet to point in South line of said survey  
25 and also the south line of 110.5 acre tract owned by Mrs. Estelle  
26 Adair, said point being the N.W. corner of Wm. McDonald Survey,  
27 A-568;

28           THENCE S. 30 E. with West line of said survey and East line of  
29 public road; at 1100 feet pass the most westerly S.W. corner of said  
30 survey, at 1650 feet pass an inside ell corner of Sarah A. Cook  
31 Survey, A-1043, and in all 4100 feet to an outside ell corner of  
32 said survey;

33           THENCE N. 60 E. 1600 feet to an inside ell corner of said  
34 survey, being also the N.W. corner of Chas. M. Smithdeal's 109 acre

1 tract in said survey;

2 THENCE S. 30 E. with Smithdeal's west line 4100 feet to a  
3 point in the North line of W. O. Merriweather Survey, A-564;

4 THENCE N. 80 E. with said North line 1,000 feet to N.E. corner  
5 of survey;

6 THENCE S. 10 E. with east line of said survey 10,900 feet to  
7 its S.E. corner;

8 THENCE S. 80 W. 2,300 feet with south line of said survey and  
9 North line of Wm. Armstrong Survey, A-23, to N.W. corner of 105 acre  
10 tract in latter named survey owned by W. B. Overman, et al;

11 THENCE S. 30 E. with the west line of the said Overman tract  
12 and the Mrs. Dora Kyle Estate 90.45 acre tract 3,450 feet to the  
13 S.W. corner of the latter in the South line of said survey;

14 THENCE N. 60 E. with said South line 400 feet to a point  
15 thereon which is the N.W. corner of the James J. Lee Survey, A-543;

16 THENCE S. 30 E. with the Survey's west line and the East line  
17 of a public road at 4,700 feet pass the survey's S.W. corner at  
18 5,650 feet pass the North line of Navarro County School Land Survey,  
19 A-675, and in all 5,900 feet to the North line of the Old Dallas  
20 Highway;

21 THENCE S. 60 W. with said North line of Highway 2100 feet to  
22 point in survey's west line;

23 THENCE S. 30 E. with said west line 3600 feet to a point  
24 thereon, which is also the N.E. corner of Polly Meeks Survey, A-639;

25 THENCE S. 60 W. with North line of said survey and North line  
26 of public road 5,280 feet to point in same;

27 THENCE with west line of public road S. 30 E. 3,670 feet; S.  
28 15 W. 280 feet and S. 30 E. 4,500 feet to the most southerly North  
29 line of A. Morrow Survey, A-580;

30 THENCE S. 60 W. 700 feet with said line to the most westerly  
31 N.W. corner of said survey;

32 THENCE S. 30 E. 1580 feet with West line of said Morrow Survey  
33 and West line of W. W. Hobson Survey, A-429, to a point in the North  
34 line of State Highway No. 22;

1           THENCE S. 60 W. with said North line 3,250 feet to point in  
2 East line of John A. Harlan Survey, A-397;

3           THENCE S. 30 E. with said survey, East line and the East line  
4 of a public road 27,100 feet to the S.E. corner of George Wilkins  
5 Survey, A-965;

6           THENCE With South line of said survey S. 60 W. 5,575 feet to  
7 S.W. corner of survey;

8           THENCE with south line of Ephraim Goss Survey, A-346, S. 60 W.  
9 1,200 feet; N. 30 W. 350 feet; and S. 60 W. at 2,800 feet, pass S.W.  
10 corner of said survey and in all 2,900 feet to an outside ell corner  
11 of Simon Jones Survey, A-482;

12           THENCE S. 30 E. 1,050 feet to an inside ell corner of said  
13 survey; S. 60 W. 950 feet to an outside ell corner of said survey; S.  
14 30 E. 1,500 feet to an inside ell corner of said survey; S. 60 W. 225  
15 feet to an outside ell corner of said survey; and S. 30 E. 1,100 feet  
16 to survey's S.W. corner, said point being in North line of Thomas  
17 Graham Survey, A-341;

18           THENCE S. 60 W. with said North line of survey and North line  
19 of Ennis Smith's tract in E. Cameron Survey, A-130, 2,550 feet to an  
20 inside ell corner of said Smith tract;

21           THENCE N. 30 W. with Smith's east line 850 feet to the S.E.  
22 corner of Abner Lee Survey, A-532;

23           THENCE S. 60 W. with said survey's South line 1,425 feet to a  
24 point thereon, said point also being in the East line of a public  
25 road;

26           THENCE S. 30 E. with said line of road 6,030 feet to a point in  
27 North line of John Mills Survey, A-620, and said point also being in  
28 the North line of a public road;

29           THENCE S. 60 W. with said line 5,325 feet to a point in East  
30 line of Robert F. Norvell Survey, A-687;

31           THENCE S. with said survey line 4,000 feet to S.E. corner of  
32 survey and N.E. corner of Robert F. Norvell Survey, A-688;

33           THENCE W. with said Common survey line 3,151 feet to a point  
34 in the West right-of-way line of M. K. & T. R. R. Co.;

1           THENCE with said right-of-way line as follows: S. 10 E. 1,570  
2 feet; S. 7,500 feet; and S. 13 W. 10,738 feet to its intersection  
3 with the Hill-McLennan County line; Continuing the same course for  
4 22,940 or 33,678 feet in all to a point on the South line of M.  
5 Jewett Survey, A-517;

6           THENCE S. 60 W. with the South lines of said survey, B. B.  
7 Ingraham Survey, A-1126, J. M. Marek 89.5 acre tract in J. Moreno  
8 Survey, A-26 and Andrew N. Halbert 80 acre tract in same survey  
9 9,100 feet to S.W. corner of Charles J. Holy 167.2 acre tract in  
10 same survey;

11           THENCE N. 30 W. 100 feet to S.E. corner of Mary Catherine  
12 Demars' 80 acre tract in said survey;

13           THENCE S. 60 W. with her South line and the South lines of D.  
14 C. Mosely 80 acre tract, Albin Pavlas 84 acre tract, Joseph L.  
15 Melansky, 58.559 acre tract, W. C. Cox 10 acre tract (all in said  
16 Moreno Survey), and Wm. Carmichael Survey, A-273, 8,500 feet to a  
17 point in East line of T. H. Brennan Survey;

18           THENCE S. 30 E. with said E. line 2,600 feet to survey S.E.  
19 corner;

20           THENCE S. 60 W. 4,200 feet to point on South survey line;

21           THENCE S. 30 E. 1,620 feet to S.E. corner of W. M. Haney's 7.5  
22 acre tract in N. H. Hobbs Survey, A-428;

23           THENCE S. 60 W. 518 feet to his S.W. corner, being in the East  
24 line of a public road;

25           THENCE with said East road line S. 1 W. 1,900 feet to a point  
26 in survey's South line;

27           THENCE N. 60 E. 775 feet to N.W. corner W. W. Kattner 118.6  
28 acre tract in R. P. Shepherd Survey, A-1145;

29           THENCE S. 30 E. with Shepherd's West line, at 630 feet the  
30 N.E. corner Samuel Gholson Survey, A-18, continuing same course  
31 with East line of survey 7,800 feet to its S.E. corner;

32           THENCE S. 60 W. with South line of survey 3,220 feet to point  
33 in West line of public road;

34           THENCE with said line of said road as follows: S. 37 E. 2,825

1 feet; S. 18 E. 2,500 feet; S. 8 W. 1,525 feet; S. 18 E. 1,240 feet;  
2 S. 60 W. 645 feet; S. 7 W. 3,700 feet; S. 23 W. 780 feet; S. 2 E. 540  
3 feet; and S. 8 W. 2,970 feet to a point in East line of Waco-Gholson  
4 road;

5 THENCE S. 20 E. with said line 400 feet to point in South line  
6 of Joseph Rutherford Survey, A-34;

7 THENCE S. 60 W. 6,640 feet to a point on East bank of Brazos  
8 River;

9 THENCE in a general direction of N. 60 W. with the meanders of  
10 the East bank of the Brazos River 20,900 feet to a point in said bank  
11 being the N.W. corner of Martin G. McCartney's 93.53 acre tract in  
12 Samuel Gholson Survey, A-18;

13 THENCE N. 60 E. 1,620 feet to S.E. corner of B. L. Eastwood's  
14 86 acre tract in said survey;

15 THENCE N. 30 W. with East lines of Eastwood tract and M. G.  
16 Lightfoot tract 3,540 feet to a point in North line of said Gholson  
17 survey, said point being in West line of a public road;

18 THENCE N. 30 W. with said West line of said road 4,435 feet to  
19 its intersection with South line of A. Estes Survey, A-335;

20 THENCE S. 60 W. with said South line 2,150 feet to S.W. corner  
21 of said survey;

22 THENCE N. 30 W. 4,040 feet to N.W. corner of survey, said  
23 corner being in the south line of Mary Ware Survey, A-1056;

24 THENCE S. 60 W. with said line 1,010 feet to S.W. corner of  
25 John H. McCartney 100 acre tract in said survey;

26 THENCE N. 30 W. 3,020 feet to point in South line of Frank T.  
27 Allen 90.4 acre tract;

28 THENCE S. 60 W. 240 feet to his S.W. corner;

29 THENCE N. 30 W. 4070 feet to point in North line of said Ware  
30 Survey;

31 THENCE S. 60 W. 800 feet to S.W. corner of C. Carley 110 acre  
32 tract in Lemuel Rice Survey, A-1054;

33 THENCE N. 30 W. 1625 feet to his N.W. corner;

34 THENCE S. 60 W. 360 feet to an inside ell corner of P. A.

1 Fuston 128 acre tract in said survey;  
2           THENCE N. 30 W. 3670 feet to N.W. corner of Julia M. Clark 50  
3 acre tract of said survey;  
4           THENCE N. 60 E. 1425 feet to S.W. corner of Esther Powell 51  
5 acre tract in said survey;  
6           THENCE N. 30 W. 1735 feet to point in Hill-McLennan County  
7 line, being the N.W. corner of said Powell tract;  
8           THENCE N. 60 E. 1300 feet to point in said County Line, being  
9 in the East line of a public road and in South line of Wm. H. Smith  
10 Survey, A-864;  
11           THENCE N. 30 W. with said road line 2750 feet to its  
12 intersection with North line of said survey and continuing with  
13 said line N. 33 W. 2550 feet to its intersection with North line of  
14 Geo. W. Hill Survey, A-370;  
15           THENCE N. 60 E. with said line 1200 feet to S.W. corner of  
16 Philip Hardwick Survey, A-372;  
17           THENCE N. 30 W. with West line of said survey 1725 feet to  
18 inside ell corner of survey and also S.W. corner of J. E. Johnson 41  
19 acre tract in same;  
20           THENCE N. 60 E. 2150 feet to Johnson's S.E. corner and inside  
21 ell corner in East Survey line;  
22           THENCE N. 30 W. with said line 4225 feet to N.W. corner of  
23 survey, which point is the south line of John Saffel Survey, A-982;  
24           THENCE N. 60 E. 3275 feet to a point in said Saffel survey  
25 line, and being the S.E. corner of C. R. Wright's 107.5 acre tract  
26 in said survey;  
27           THENCE N. 30 W. with Wright's East line 2800 to his N.E.  
28 corner in North survey line;  
29           THENCE N. 60 E. with said survey line 2200 feet to an inside  
30 ell corner of said survey;  
31           THENCE N. 30 W. 4300 feet to N.W. corner of said survey;  
32           THENCE N. 60 E. 6800 feet to point in Saffel N. line and being  
33 S.W. corner of E. E. Ussery's 100 acre tract in Wm. Brooks Survey,  
34 A-1;

1           THENCE N. 30 W. 7175 feet to N.W. corner of Ussery's 179.6  
2 acre tract in North survey line;

3           THENCE N. 60 E. 10,350 feet to a point in East line of public  
4 road at its intersection with common line between said Brooks  
5 Survey and James S. Dallas Survey, A-210, and said point being the  
6 S.W. corner of Klement Svreck's 92.35 acre tract out of said Dallas  
7 Survey;

8           THENCE N. 38 W. with said East road line 13,700 feet to the  
9 south line of Sterling C. Robertson Survey, A-8;

10          THENCE N. 60 E. 1200 feet to S. E. corner of survey;

11          THENCE N. 30 W. 6900 feet to survey N.E. corner;

12          THENCE S. 60 W. 2570 feet to point on survey's North line and  
13 being S.E. corner of Francisco Baldez Survey, A-31;

14          THENCE N. 30 W. with Baldez's East line and the East line of  
15 public road 10,750 feet to corner in South line of public road;

16          THENCE N. 60 E. with south line of said road 3820 feet to  
17 corner in East line of public road;

18          THENCE with said East line of road N. 28 W. 9750 feet; N. 49 W.  
19 1400 feet; and N. 51°; W. 3475 feet to point in North line of State  
20 Highway No. 22, which point is also in South line of Mary Beacham  
21 Survey, A-26;

22          THENCE N. 60 E. 2385 feet to S.E. corner of said survey;

23          THENCE N. 30 W. 16,000 feet to N.W. corner R. Irvin Survey,  
24 A-461;

25          THENCE N. 60 E. 2750 feet to its N.E. corner;

26          THENCE N. 30 W. 8800 feet to N.E. corner Rutgersville College  
27 Survey;

28          THENCE N. 60 E. 650 feet to an inside ell corner of P. J.  
29 George Survey, A-329;

30          THENCE N. 30 W. 10,250 feet to N.W. corner of W. M. McDonald  
31 Survey, A-566;

32          THENCE N. 60 E. 2350 feet to its N.E. corner;

33          THENCE N. 30 W. 3550 feet to N.W. corner James R. Rattekin  
34 Survey, A-782;

1           THENCE N. 60 E. 3650 feet to S.W. corner James McDonald  
2 Survey, A-650;

3           THENCE N. 30 W. 10,500 feet to N.W. corner of Samuel Ralph  
4 Survey, A-798;

5           THENCE N. 60 E. 5200 feet to its N.E. corner;

6           THENCE N. 30 W. 4850 feet to S.W. corner Richard Hope Survey,  
7 A-432;

8           THENCE N. 60 E. 5200 feet to its S.E. corner;

9           THENCE N. 30 W. 2,150 feet to S.W. corner W. C. Weatherred  
10 Survey, A-932;

11          THENCE N. 60 E. 7,700 feet to its S.E. corner;

12          THENCE N. 30 W. 11675 feet to N.W. corner F. C. Burt Survey,  
13 A-28;

14          THENCE N. 60 E. 7800 feet to its N.E. corner;

15          THENCE N. 30 W. 7775 feet to N.W. corner Edwin S. Cabler  
16 Survey, A-113;

17          THENCE N. 60 E. 5225 feet to point in North line of survey,  
18 being S.W. corner of Myrtle Reddell 48 acre tract in Samuel Marshall  
19 Survey, A-571;

20          THENCE N. 30 W. 2190 feet to Reddell's N.W. corner;

21          THENCE N. 60 E. 3560 feet to point in West line of public  
22 road;

23          THENCE N. 30 W. with said line 3,000 feet to its intersection  
24 with the Hill-Johnson County line;

25          THENCE N. 75 E. 14,900 feet to the place of beginning,  
26 containing 273,864.4 acres of land, more or less. 190,524.4 acres,  
27 more or less, thereof, being in the Aquilla Creek Watershed and  
28 83,340 acres, more or less, being in the Hackberry Creek Watershed.

29          ~~[It being hereby found and determined that all of the land~~  
30 ~~included within the boundaries of the District will be benefited~~  
31 ~~and that the District is created to serve a public use and benefit,~~  
32 ~~it shall not be necessary for the Board of Directors to call a~~  
33 ~~confirmation election or to hold a hearing on the exclusion of lands~~  
34 ~~or a hearing on the adoption of a plan of taxation, but the ad~~

1 ~~valorem plan of taxation shall be used by the District.]~~

2 SECTION 5. CONFORMING AMENDMENT. Section 1, Chapter 110,  
3 Acts of the 41st Legislature, 1st Called Session, 1929, is amended  
4 to read as follows:

5 Sec. 1. [~~That Cameron County Water Improvement District~~  
6 ~~Number Ten, in Cameron County, Texas, as hereinafter described by~~  
7 ~~metes and bounds, is hereby created and established as a~~  
8 ~~Conservation and Reclamation District under authority of Section 59~~  
9 ~~of Article 16, of the Constitution of the State of Texas, for the~~  
10 ~~purpose of the reclamation and irrigation of its arid, semi-arid~~  
11 ~~and other lands, needing irrigation, reclamation and drainage of~~  
12 ~~its overflowed lands, and other lands needing drainage, and all~~  
13 ~~other purposes as contemplated by said Section 59 of Article 16, of~~  
14 ~~the Constitution of this State, and said District shall be a~~  
15 ~~Governmental agency and a body politic with all powers as are~~  
16 ~~granted to such Conservation and Reclamation Districts in the~~  
17 ~~Constitution and in the General Laws of the State of Texas, and the~~  
18 ~~organization and establishment of said District by the~~  
19 ~~Commissioners' Court of Cameron County, Texas, and all orders of~~  
20 ~~said Commissioners' Court of Cameron County, Texas, and of the~~  
21 ~~Board of Directors of said Cameron County Water Improvement~~  
22 ~~District Number Ten, heretofore made in respect to the creation of~~  
23 ~~such District and the authorization and issuance of the bonds of~~  
24 ~~said District and particularly an issue of Six Hundred Eighty~~  
25 ~~Thousand Dollars of bonds voted at an election under date of October~~  
26 ~~1, 1928, be and the same are hereby in all things ratified,~~  
27 ~~confirmed and validated.~~

28 [~~It is hereby declared and determined that all property~~  
29 ~~within the boundaries of said District, as herein set forth, is~~  
30 ~~benefited by the creation of said District, and that no property not~~  
31 ~~benefited is included within such boundaries.] The said Cameron  
32 County Water Improvement District Number Ten, in Cameron County,  
33 Texas, [~~here now created and established, after consideration of~~  
34 ~~the benefits to the property therein located,~~] is described by~~

1 metes and bounds, as follows, to-wit:

2 Six Thousand Nine Hundred Seventy-eight and 48/100 (6978.48)  
3 acres, more or less, situated wholly in Cameron County, Texas, and  
4 being a part of Shares Nos. 19, 27 and 28 of the Espiritu Santo  
5 Grant, in Cameron County, Texas, as said shares were allotted and  
6 set apart by the final decree partitioning said grant rendered by  
7 the District Court of Cameron County, Texas, May 6, 1889, in Cause  
8 No. 1346 entitled "M. Kenedy, R. King, et al. vs. Thomas Carson,  
9 Administrator, et al.," and more particularly described by metes  
10 and bonds, as follows:

11 "Beginning at a point on the west line of Share No. 27 said  
12 point being South 4°30' West 1228.2 feet from the center line of  
13 State Highway No. 100. Thence South 85°0' East 2915.2 feet to a  
14 point on the East line of said Share No. 27. Thence with the East  
15 line of share No. 27 North 3° 51' East 1258.2 feet to the North line  
16 of State Highway No. 100. Thence South 85° 0' East 2733.3 feet with  
17 the North line of State Highway No. 100 to a point in the East line  
18 of Share No. 28. Thence with the East line of Share No. 28 North 2°  
19 24' East 33,705.8 feet. Thence North 86° 36' West 1893.4 feet to a  
20 point in the East line of Share No. 27. Thence with the East line of  
21 Share No. 27 North 3° 30' East 26,848.8 ft. more or less, to the  
22 Northeast corner of Section 2, Citrus Gardens Subdivision,  
23 according to map recorded in Vol. 8, page 19, of the Map Records of  
24 Cameron County, Texas; thence north 85° 58' West, 1972 feet along  
25 and with the North line of said Subdivision to the Northwest corner  
26 thereof in the West line of said Share No. 27; thence South 4° 35'  
27 West 18,060.4 ft. more or less, to the northeast corner of Tract No.  
28 43 of Share No. 19 of the Espiritu Santo Grant, as said Tract No. 43  
29 was set apart and allotted to Mrs. Agnes A. Browne by the final  
30 decree partitioning said Share 19, rendered by the District Court  
31 of Jefferson County, Texas, in Cause No. 7588, entitled "Charles B.  
32 Combe, et al., vs. John H. Broocks, et al"; thence with the North  
33 line of Tract No. 43 North 85° 30' West 1863.6 feet to the Northwest  
34 corner of said Tract No. 43; thence with the West line of Tract No.

1 43 South 4° 30' West 43,772.3 feet to the Southwest corner of Tract  
2 No. 43; thence with the South line of Tract No. 43 South 88° 30' East  
3 1810.8 feet to a point in the West line of Share No. 27; thence North  
4 4° 30' East 1279.5 feet to the place of beginning, containing  
5 6978.48 acres, more or less."

6 The above described territory being the same territory that  
7 was included within the boundaries of this District at the time of  
8 its organization and described in order adopted on the 18th day of  
9 June, 1928, by the Commissioners' Court of Cameron County, Texas,  
10 with modifications thereto made by orders of the Board of Directors  
11 of said District in conformity with law, prior to the voting of any  
12 bonds by said District.

13 SECTION 6. REPEALER. The following statutes are repealed:

14 (1) Sections 2-20, Chapter 120, Acts of the 60th  
15 Legislature, Regular Session, 1967;

16 (2) Sections 2 and 3, Chapter 271, Acts of the 62nd  
17 Legislature, Regular Session, 1971;

18 (3) Sections 2-18, Chapter 411, Acts of the 58th  
19 Legislature, Regular Session, 1963;

20 (4) Sections 4-7, Chapter 541, Acts of the 63rd  
21 Legislature, Regular Session, 1973;

22 (5) Sections 2(b)-(d), Chapter 95, Acts of the 76th  
23 Legislature, Regular Session, 1999;

24 (6) the following provisions of the Local Government  
25 Code:

26 (A) Chapter 384, as added by Chapter 1578, Acts  
27 of the 76th Legislature, Regular Session, 1999;

28 (B) Subchapters A-J, Chapter 376;

29 (C) Subchapter K, Chapter 376, as added by  
30 Chapter 418, Acts of the 77th Legislature, Regular Session, 2001;

31 (D) Subchapter K, Chapter 376, as added by  
32 Chapter 1356, Acts of the 77th Legislature, Regular Session, 2001;

33 (E) Subchapter K, Chapter 376, as added by  
34 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

1 (F) Subchapter K, Chapter 376, as added by  
2 Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001;

3 (G) Subchapter K, Chapter 376, as added by  
4 Chapter 1476, Acts of the 77th Legislature, Regular Session, 2001;

5 (H) Subchapter K, Chapter 376, as added by  
6 Chapter 1384, Acts of the 77th Legislature, Regular Session, 2001;

7 (I) Subchapter K, Chapter 376, as added by  
8 Chapter 1433, Acts of the 77th Legislature, Regular Session, 2001;  
9 and

10 (J) Subchapters A and B, Chapter 396;

11 (7) Section 2, Chapter 360, Acts of the 76th  
12 Legislature, Regular Session, 1999;

13 (8) Chapter 213, Acts of the 51st Legislature, Regular  
14 Session, 1949;

15 (9) Section 2, Chapter 525, Acts of the 71st  
16 Legislature, Regular Session, 1989;

17 (10) Chapter 9, page 42, Special laws, Acts of the 41st  
18 Legislature, 4th Called Session, 1930;

19 (11) Sections 2-14, Chapter 43, Acts of the 57th  
20 Legislature, 3rd Called Session, 1962;

21 (12) Sections 2-10, Chapter 245, Acts of the 58th  
22 Legislature, Regular Session, 1963;

23 (13) Chapter 827, Acts of the 70th Legislature,  
24 Regular Session, 1987;

25 (14) Chapter 357, Acts of the 72nd Legislature,  
26 Regular Session, 1991;

27 (15) Sections 1-3 and 5-9, Chapter 661, Acts of the  
28 62nd Legislature, Regular Session, 1971;

29 (16) Chapter 142, Acts of the 55th Legislature,  
30 Regular Session, 1957;

31 (17) Sections 2 and 3, Chapter 157, Acts of the 57th  
32 Legislature, Regular Session, 1961;

33 (18) Chapter 97, Acts of the 44th Legislature, Regular  
34 Session, 1935;

- 1           (19) Chapter 151, Water Code;
- 2           (20) Sections 1, 2, and 4-12, Chapter 183, Acts of the  
3 56th Legislature, Regular Session, 1959;
- 4           (21) Sections 2-13, Chapter 110, Acts of the 41st  
5 Legislature, 1st Called Session, 1929;
- 6           (22) Subchapter B, Chapter 421, Local Government Code;  
7 and
- 8           (23) Chapter 47, Acts of the 75th Legislature, Regular  
9 Session, 1997.

10           SECTION 7. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.  
11 This Act is enacted under Section 43, Article III, Texas  
12 Constitution. This Act is intended as a recodification only, and no  
13 substantive change in the law is intended by this Act. This Act  
14 does not increase or decrease the territory of any special district  
15 of the state as those boundaries exist on the effective date of this  
16 Act.

17           SECTION 8. PRESERVATION OF VALIDATION MADE BY PREVIOUS LAW.  
18 (a) The repeal of a law, including a validating law, by this Act  
19 does not remove, void, or otherwise affect in any manner a  
20 validation under the repealed law. The validation is preserved and  
21 continues to have the same effect that it would have if the law were  
22 not repealed.

23           (b) Subsection (a) of this section does not diminish the  
24 saving provisions prescribed by Section 311.031, Government Code.

25           SECTION 9. EFFECTIVE DATE. This Act takes effect April 1,  
26 2005.

1 APPENDIX B

2 CHAPTER 311. CODE CONSTRUCTION ACT

3 (current as of end of 78th Legislature, Regular Session, 2003)

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 311.001. SHORT TITLE. This chapter may be cited as  
6 the Code Construction Act.

7 Sec. 311.002. APPLICATION. This chapter applies to:

8 (1) each code enacted by the 60th or a subsequent  
9 legislature as part of the state's continuing statutory revision  
10 program;

11 (2) each amendment, repeal, revision, and reenactment  
12 of a code or code provision by the 60th or a subsequent legislature;

13 (3) each repeal of a statute by a code; and

14 (4) each rule adopted under a code.

15 Sec. 311.003. RULES NOT EXCLUSIVE. The rules provided in  
16 this chapter are not exclusive but are meant to describe and clarify  
17 common situations in order to guide the preparation and  
18 construction of codes.

19 Sec. 311.004. CITATION OF CODES. A code may be cited by its  
20 name preceded by the specific part concerned. Examples of  
21 citations are:

22 (1) Title 1, Business & Commerce Code;

23 (2) Chapter 5, Business & Commerce Code;

24 (3) Section 9.304, Business & Commerce Code;

25 (4) Section 15.06(a), Business & Commerce Code; and

26 (5) Section 17.18(b)(1)(B)(ii), Business & Commerce  
27 Code.

28 Sec. 311.005. GENERAL DEFINITIONS. The following  
29 definitions apply unless the statute or context in which the word or  
30 phrase is used requires a different definition:

31 (1) "Oath" includes affirmation.

32 (2) "Person" includes corporation, organization,  
33 government or governmental subdivision or agency, business trust,  
34 estate, trust, partnership, association, and any other legal

1 entity.

2 (3) "Population" means the population shown by the  
3 most recent federal decennial census.

4 (4) "Property" means real and personal property.

5 (5) "Rule" includes regulation.

6 (6) "Signed" includes any symbol executed or adopted  
7 by a person with present intention to authenticate a writing.

8 (7) "State," when referring to a part of the United  
9 States, includes any state, district, commonwealth, territory, and  
10 insular possession of the United States and any area subject to the  
11 legislative authority of the United States of America.

12 (8) "Swear" includes affirm.

13 (9) "United States" includes a department, bureau, or  
14 other agency of the United States of America.

15 (10) "Week" means seven consecutive days.

16 (11) "Written" includes any representation of words,  
17 letters, symbols, or figures.

18 (12) "Year" means 12 consecutive months.

19 (13) "Includes" and "including" are terms of  
20 enlargement and not of limitation or exclusive enumeration, and use  
21 of the terms does not create a presumption that components not  
22 expressed are excluded.

23 Sec. 311.006. INTERNAL REFERENCES. In a code:

24 (1) a reference to a title, chapter, or section  
25 without further identification is a reference to a title, chapter,  
26 or section of the code; and

27 (2) a reference to a subtitle, subchapter, subsection,  
28 subdivision, paragraph, or other numbered or lettered unit without  
29 further identification is a reference to a unit of the next larger  
30 unit of the code in which the reference appears.

31 SUBCHAPTER B. CONSTRUCTION OF WORDS AND PHRASES

32 Sec. 311.011. COMMON AND TECHNICAL USAGE OF WORDS. (a)  
33 Words and phrases shall be read in context and construed according  
34 to the rules of grammar and common usage.

1 (b) Words and phrases that have acquired a technical or  
2 particular meaning, whether by legislative definition or  
3 otherwise, shall be construed accordingly.

4 Sec. 311.012. TENSE, NUMBER, AND GENDER. (a) Words in the  
5 present tense include the future tense.

6 (b) The singular includes the plural and the plural includes  
7 the singular.

8 (c) Words of one gender include the other genders.

9 Sec. 311.013. AUTHORITY AND QUORUM OF PUBLIC BODY. (a) A  
10 grant of authority to three or more persons as a public body confers  
11 the authority on a majority of the number of members fixed by  
12 statute.

13 (b) A quorum of a public body is a majority of the number of  
14 members fixed by statute.

15 Sec. 311.014. COMPUTATION OF TIME. (a) In computing a  
16 period of days, the first day is excluded and the last day is  
17 included.

18 (b) If the last day of any period is a Saturday, Sunday, or  
19 legal holiday, the period is extended to include the next day that  
20 is not a Saturday, Sunday, or legal holiday.

21 (c) If a number of months is to be computed by counting the  
22 months from a particular day, the period ends on the same numerical  
23 day in the concluding month as the day of the month from which the  
24 computation is begun, unless there are not that many days in the  
25 concluding month, in which case the period ends on the last day of  
26 that month.

27 Sec. 311.015. REFERENCE TO A SERIES. If a statute refers  
28 to a series of numbers or letters, the first and last numbers or  
29 letters are included.

30 Sec. 311.016. "MAY," "SHALL," "MUST," ETC. The following  
31 constructions apply unless the context in which the word or phrase  
32 appears necessarily requires a different construction or unless a  
33 different construction is expressly provided by statute:

34 (1) "May" creates discretionary authority or grants

1 permission or a power.

2 (2) "Shall" imposes a duty.

3 (3) "Must" creates or recognizes a condition  
4 precedent.

5 (4) "Is entitled to" creates or recognizes a right.

6 (5) "May not" imposes a prohibition and is synonymous  
7 with "shall not."

8 (6) "Is not entitled to" negates a right.

9 (7) "Is not required to" negates a duty or condition  
10 precedent.

#### 11 SUBCHAPTER C. CONSTRUCTION OF STATUTES

12 Sec. 311.021. INTENTION IN ENACTMENT OF STATUTES. In  
13 enacting a statute, it is presumed that:

14 (1) compliance with the constitutions of this state  
15 and the United States is intended;

16 (2) the entire statute is intended to be effective;

17 (3) a just and reasonable result is intended;

18 (4) a result feasible of execution is intended; and

19 (5) public interest is favored over any private  
20 interest.

21 Sec. 311.022. PROSPECTIVE OPERATION OF STATUTES. A  
22 statute is presumed to be prospective in its operation unless  
23 expressly made retrospective.

24 Sec. 311.023. STATUTE CONSTRUCTION AIDS. In construing a  
25 statute, whether or not the statute is considered ambiguous on its  
26 face, a court may consider among other matters the:

27 (1) object sought to be attained;

28 (2) circumstances under which the statute was enacted;

29 (3) legislative history;

30 (4) common law or former statutory provisions,  
31 including laws on the same or similar subjects;

32 (5) consequences of a particular construction;

33 (6) administrative construction of the statute; and

34 (7) title (caption), preamble, and emergency

1 provision.

2           Sec. 311.024. HEADINGS. The heading of a title, subtitle,  
3 chapter, subchapter, or section does not limit or expand the  
4 meaning of a statute.

5           Sec. 311.025. IRRECONCILABLE STATUTES AND AMENDMENTS. (a)  
6 Except as provided by Section 311.031(d), if statutes enacted at  
7 the same or different sessions of the legislature are  
8 irreconcilable, the statute latest in date of enactment prevails.

9           (b) Except as provided by Section 311.031(d), if amendments  
10 to the same statute are enacted at the same session of the  
11 legislature, one amendment without reference to another, the  
12 amendments shall be harmonized, if possible, so that effect may be  
13 given to each. If the amendments are irreconcilable, the latest in  
14 date of enactment prevails.

15           (c) In determining whether amendments are irreconcilable,  
16 text that is reenacted because of the requirement of Article III,  
17 Section 36, of the Texas Constitution is not considered to be  
18 irreconcilable with additions or omissions in the same text made by  
19 another amendment. Unless clearly indicated to the contrary, an  
20 amendment that reenacts text in compliance with that constitutional  
21 requirement does not indicate legislative intent that the reenacted  
22 text prevail over changes in the same text made by another  
23 amendment, regardless of the relative dates of enactment.

24           (d) In this section, the date of enactment is the date on  
25 which the last legislative vote is taken on the bill enacting the  
26 statute.

27           (e) If the journals or other legislative records fail to  
28 disclose which of two or more bills in conflict is latest in date of  
29 enactment, the date of enactment of the respective bills is  
30 considered to be, in order of priority:

31                   (1) the date on which the last presiding officer  
32 signed the bill;

33                   (2) the date on which the governor signed the bill; or

34                   (3) the date on which the bill became law by operation

1 of law.

2           Sec. 311.026. SPECIAL OR LOCAL PROVISION PREVAILS OVER  
3 GENERAL. (a) If a general provision conflicts with a special or  
4 local provision, the provisions shall be construed, if possible, so  
5 that effect is given to both.

6           (b) If the conflict between the general provision and the  
7 special or local provision is irreconcilable, the special or local  
8 provision prevails as an exception to the general provision, unless  
9 the general provision is the later enactment and the manifest  
10 intent is that the general provision prevail.

11           Sec. 311.027. STATUTORY REFERENCES. Unless expressly  
12 provided otherwise, a reference to any portion of a statute or rule  
13 applies to all reenactments, revisions, or amendments of the  
14 statute or rule.

15           Sec. 311.028. UNIFORM CONSTRUCTION OF UNIFORM ACTS. A  
16 uniform act included in a code shall be construed to effect its  
17 general purpose to make uniform the law of those states that enact  
18 it.

19           Sec. 311.029. ENROLLED BILL CONTROLS. If the language of  
20 the enrolled bill version of a statute conflicts with the language  
21 of any subsequent printing or reprinting of the statute, the  
22 language of the enrolled bill version controls.

23           Sec. 311.030. REPEAL OF REPEALING STATUTE. The repeal of a  
24 repealing statute does not revive the statute originally repealed  
25 nor impair the effect of any saving provision in it.

26           Sec. 311.031. SAVING PROVISIONS. (a) Except as provided  
27 by Subsection (b), the reenactment, revision, amendment, or repeal  
28 of a statute does not affect:

29                 (1) the prior operation of the statute or any prior  
30 action taken under it;

31                 (2) any validation, cure, right, privilege,  
32 obligation, or liability previously acquired, accrued, accorded,  
33 or incurred under it;

34                 (3) any violation of the statute or any penalty,

1 forfeiture, or punishment incurred under the statute before its  
2 amendment or repeal; or

3 (4) any investigation, proceeding, or remedy  
4 concerning any privilege, obligation, liability, penalty,  
5 forfeiture, or punishment; and the investigation, proceeding, or  
6 remedy may be instituted, continued, or enforced, and the penalty,  
7 forfeiture, or punishment imposed, as if the statute had not been  
8 repealed or amended.

9 (b) If the penalty, forfeiture, or punishment for any  
10 offense is reduced by a reenactment, revision, or amendment of a  
11 statute, the penalty, forfeiture, or punishment, if not already  
12 imposed, shall be imposed according to the statute as amended.

13 (c) The repeal of a statute by a code does not affect an  
14 amendment, revision, or reenactment of the statute by the same  
15 legislature that enacted the code. The amendment, revision, or  
16 reenactment is preserved and given effect as part of the code  
17 provision that revised the statute so amended, revised, or  
18 reenacted.

19 (d) If any provision of a code conflicts with a statute  
20 enacted by the same legislature that enacted the code, the statute  
21 controls.

22 Sec. 311.032. SEVERABILITY OF STATUTES. (a) If any  
23 statute contains a provision for severability, that provision  
24 prevails in interpreting that statute.

25 (b) If any statute contains a provision for  
26 nonseverability, that provision prevails in interpreting that  
27 statute.

28 (c) In a statute that does not contain a provision for  
29 severability or nonseverability, if any provision of the statute or  
30 its application to any person or circumstance is held invalid, the  
31 invalidity does not affect other provisions or applications of the  
32 statute that can be given effect without the invalid provision or  
33 application, and to this end the provisions of the statute are  
34 severable.

1           Sec. 311.034. WAIVER OF SOVEREIGN IMMUNITY. In order to  
2 preserve the legislature's interest in managing state fiscal  
3 matters through the appropriations process, a statute shall not be  
4 construed as a waiver of sovereign immunity unless the waiver is  
5 effected by clear and unambiguous language. In a statute, the use  
6 of "person," as defined by Section 311.005 to include governmental  
7 entities, does not indicate legislative intent to waive sovereign  
8 immunity unless the context of the statute indicates no other  
9 reasonable construction.

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APPENDIX C

DISPOSITION TABLE

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24	R.S., Ch. 418 . . . . .	3811.159
25	Sec. 376.475, as added Acts 77th Leg.,	
26	R.S., Ch. 418 . . . . .	RN 3811.160
27	Sec. 376.476, as added Acts 77th Leg.,	
28	R.S., Ch. 418 . . . . .	3811.155
29	Sec. 376.477, as added Acts 77th Leg.,	
30	R.S., Ch. 418	
31	(part) . . . . .	3811.201
32	(part) . . . . .	RN 3811.201
33	Sec. 376.478, as added Acts 77th Leg.,	
34	R.S., Ch. 418 . . . . .	3811.103
35	Sec. 376.479, as added Acts 77th Leg.,	
36	R.S., Ch. 418 . . . . .	3811.104
37	Sec. 376.480, as added Acts 77th Leg.,	
38	R.S., Ch. 418 . . . . .	3811.103
39	Sec. 376.451, as added Acts 77th Leg.,	
40	R.S., Ch. 1356	
41	(a) . . . . .	3812.002
42	(b) . . . . .	RN 3812.002
43	Sec. 376.452, as added Acts 77th Leg.,	
44	R.S., Ch. 1356 . . . . .	3812.003
45	Sec. 376.453, as added Acts 77th Leg.,	
46	R.S., Ch. 1356	
47	(1) . . . . .	3812.001
48	(2) . . . . .	RN 3812.001
49	(3) . . . . .	3812.001
50	(4) . . . . .	RN 3812.001
51	(5) . . . . .	3812.157
52	Sec. 376.455, as added Acts 77th Leg.,	
53	R.S., Ch. 1356 . . . . .	3812.005
54	Sec. 376.456, as added Acts 77th Leg.,	
55	R.S., Ch. 1356 . . . . .	3812.004
56	Sec. 376.457, as added Acts 77th Leg.,	
57	R.S., Ch. 1356 . . . . .	3812.006
58	Sec. 376.458, as added Acts 77th Leg.,	
59	R.S., Ch. 1356 . . . . .	3812.008
60	Sec. 376.459, as added Acts 77th Leg.,	
61	R.S., Ch. 1356	
62	(a) . . . . .	3812.051
63	(b) (part) . . . . .	RN 3812.051
64	(part) . . . . .	RN 3812.053
65	(part) . . . . .	3812.153
66	Sec. 376.460, as added Acts 77th Leg.,	
67	R.S., Ch. 1356	
68	(a) . . . . .	3812.052

1	(b) . . . . .	RN 3812.052
2	Sec. 376.461, as added Acts 77th Leg.,	
3	R.S., Ch. 1356	
4	(part) . . . . .	3812.006
5	(part) . . . . .	3812.101
6	(part) . . . . .	3812.154
7	(part) . . . . .	3812.156
8	Sec. 376.462, as added Acts 77th Leg.,	
9	R.S., Ch. 1356 . . . . .	RN 3812.103
10	Sec. 376.463, as added Acts 77th Leg.,	
11	R.S., Ch. 1356 . . . . .	RN 3812.103
12	Sec. 376.464, as added Acts 77th Leg.,	
13	R.S., Ch. 1356	
14	(part) . . . . .	3812.007
15	(part) . . . . .	RN 3812.007
16	Sec. 376.465, as added Acts 77th Leg.,	
17	R.S., Ch. 1356 . . . . .	3812.151
18	Sec. 376.466, as added Acts 77th Leg.,	
19	R.S., Ch. 1356 . . . . .	3812.102
20	Sec. 376.467, as added Acts 77th Leg.,	
21	R.S., Ch. 1356 . . . . .	3812.152
22	Sec. 376.468, as added Acts 77th Leg.,	
23	R.S., Ch. 1356 . . . . .	3812.158
24	Sec. 376.469, as added Acts 77th Leg.,	
25	R.S., Ch. 1356	
26	(part) . . . . .	3812.156
27	(part) . . . . .	RN 3812.156
28	Sec. 376.470, as added Acts 77th Leg.,	
29	R.S., Ch. 1356 . . . . .	3812.157
30	Sec. 376.471, as added Acts 77th Leg.,	
31	R.S., Ch. 1356 . . . . .	3812.159
32	Sec. 376.472, as added Acts 77th Leg.,	
33	R.S., Ch. 1356 . . . . .	RN 3812.159
34	Sec. 376.473, as added Acts 77th Leg.,	
35	R.S., Ch. 1356 . . . . .	3812.155
36	Sec. 376.474, as added Acts 77th Leg.,	
37	R.S., Ch. 1356	
38	(part) . . . . .	3812.201
39	(part) . . . . .	RN 3812.201
40	Sec. 376.475, as added Acts 77th Leg.,	
41	R.S., Ch. 1356 . . . . .	3812.103
42	Sec. 376.476, as added Acts 77th Leg.,	
43	R.S., Ch. 1356 . . . . .	3812.053
44	Sec. 376.451, as added Acts 77th Leg.,	
45	R.S., Ch. 1371	
46	(a) . . . . .	3813.002
47	(b) . . . . .	RN 3813.002
48	Sec. 376.452, as added Acts 77th Leg.,	
49	R.S., Ch. 1371 . . . . .	3813.003
50	Sec. 376.453, as added Acts 77th Leg.,	
51	R.S., Ch. 1371	
52	(1) . . . . .	3813.001
53	(2) . . . . .	RN 3813.001
54	(3) . . . . .	3813.001
55	Sec. 376.455, as added Acts 77th Leg.,	
56	R.S., Ch. 1371 . . . . .	3813.005
57	Sec. 376.456, as added Acts 77th Leg.,	
58	R.S., Ch. 1371 . . . . .	3813.004
59	Sec. 376.457, as added Acts 77th Leg.,	
60	R.S., Ch. 1371 . . . . .	3813.051
61	Sec. 376.458, as added Acts 77th Leg.,	
62	R.S., Ch. 1371 . . . . .	3813.053
63	Sec. 376.459, as added Acts 77th Leg.,	
64	R.S., Ch. 1371 . . . . .	3813.054
65	Sec. 376.460, as added Acts 77th Leg.,	
66	R.S., Ch. 1371 . . . . .	3813.052
67	Sec. 376.461, as added Acts 77th Leg.,	
68	R.S., Ch. 1371 . . . . .	3813.101

1	Sec. 376.462, as added Acts 77th Leg.,	
2	R.S., Ch. 1371	
3	(a) (part) . . . . .	3813.103
4	(part) . . . . .	3813.104
5	(part) . . . . .	3813.106
6	(part) . . . . .	3813.107
7	(part) . . . . .	3813.151
8	(part) . . . . .	3813.157
9	(part) . . . . .	3813.160
10	(part) . . . . .	3813.161
11	(part) . . . . .	3813.162
12	(b) . . . . .	3813.109
13	(c) . . . . .	3813.159
14	(d) . . . . .	3813.105
15	Sec. 376.463, as added Acts 77th Leg.,	
16	R.S., Ch. 1371 . . . . .	3813.104
17	Sec. 376.464, as added Acts 77th Leg.,	
18	R.S., Ch. 1371	
19	(part) . . . . .	3813.102
20	(part) . . . . . RN	3813.102
21	Sec. 376.465, as added Acts 77th Leg.,	
22	R.S., Ch. 1371 . . . . .	3813.108
23	Sec. 376.466, as added Acts 77th Leg.,	
24	R.S., Ch. 1371	
25	(a) . . . . .	3813.151
26	(b) (part) . . . . .	3813.151
27	(part) . . . . .	3813.157
28	(c) . . . . .	3813.151
29	(d) . . . . .	3813.151
30	Sec. 376.467, as added Acts 77th Leg.,	
31	R.S., Ch. 1371	
32	(a) . . . . .	3813.152
33	(b) . . . . .	3813.152
34	(c) . . . . .	3813.152
35	(d) . . . . .	3813.153
36	(e) . . . . .	3813.153
37	(f) . . . . .	3813.153
38	Sec. 376.468, as added Acts 77th Leg.,	
39	R.S., Ch. 1371 . . . . .	3813.154
40	Sec. 376.469, as added Acts 77th Leg.,	
41	R.S., Ch. 1371 . . . . .	3813.158
42	Sec. 376.470, as added Acts 77th Leg.,	
43	R.S., Ch. 1371 . . . . .	3813.155
44	Sec. 376.471, as added Acts 77th Leg.,	
45	R.S., Ch. 1371 . . . . .	3813.156
46	Sec. 376.472, as added Acts 77th Leg.,	
47	R.S., Ch. 1371 . . . . .	3813.157
48	Sec. 376.473, as added Acts 77th Leg.,	
49	R.S., Ch. 1371 . . . . .	3813.107
50	Sec. 376.474, as added Acts 77th Leg.,	
51	R.S., Ch. 1371 . . . . .	3813.163
52	Sec. 376.475, as added Acts 77th Leg.,	
53	R.S., Ch. 1371 . . . . .	3813.106
54	Sec. 376.476, as added Acts 77th Leg.,	
55	R.S., Ch. 1371 . . . . .	3813.201
56	Sec. 376.477, as added Acts 77th Leg.,	
57	R.S., Ch. 1371 . . . . .	3813.202
58	Sec. 376.478, as added Acts 77th Leg.,	
59	R.S., Ch. 1371 . . . . .	3813.203
60	Sec. 376.451, as added Acts 77th Leg.,	
61	R.S., Ch. 1376	
62	(a) . . . . .	3814.002
63	(b) . . . . . RN	3814.002
64	Sec. 376.452, as added Acts 77th Leg.,	
65	R.S., Ch. 1376 . . . . .	3814.003
66	Sec. 376.453, as added Acts 77th Leg.,	
67	R.S., Ch. 1376	
68	(1) . . . . .	3814.001

1		(2) . . . . .	RN 3814.001
2		(3) . . . . .	3814.001
3		(4) . . . . .	RN 3814.001
4	Sec. 376.455, as added Acts 77th Leg.,		
5	R.S., Ch. 1376 . . . . .		3814.005
6	Sec. 376.456, as added Acts 77th Leg.,		
7	R.S., Ch. 1376 . . . . .		3814.004
8	Sec. 376.457, as added Acts 77th Leg.,		
9	R.S., Ch. 1376 . . . . .		3814.006
10	Sec. 376.458, as added Acts 77th Leg.,		
11	R.S., Ch. 1376 . . . . .		3814.007
12	Sec. 376.459, as added Acts 77th Leg.,		
13	R.S., Ch. 1376		
14	(a) . . . . .		3814.051
15	(b) . . . . .		3814.054
16	(c) . . . . .		3814.055
17	Sec. 376.460, as added Acts 77th Leg.,		
18	R.S., Ch. 1376 . . . . .		3814.052
19	Sec. 376.461, as added Acts 77th Leg.,		
20	R.S., Ch. 1376 . . . . .		3814.053
21	Sec. 376.462, as added Acts 77th Leg.,		
22	R.S., Ch. 1376 . . . . .		3814.056
23	Sec. 376.463, as added Acts 77th Leg.,		
24	R.S., Ch. 1376 . . . . .		3814.107
25	Sec. 376.464, as added Acts 77th Leg.,		
26	R.S., Ch. 1376 . . . . .		3814.101
27	Sec. 376.465, as added Acts 77th Leg.,		
28	R.S., Ch. 1376		
29	(a) . . . . .		3814.103
30	(b) . . . . .		3814.103
31	(c) . . . . .		3814.104
32	Sec. 376.466, as added Acts 77th Leg.,		
33	R.S., Ch. 1376 . . . . .		3814.102
34	Sec. 376.467, as added Acts 77th Leg.,		
35	R.S., Ch. 1376 . . . . .		3814.151
36	Sec. 376.468, as added Acts 77th Leg.,		
37	R.S., Ch. 1376 . . . . .		3814.158
38	Sec. 376.469, as added Acts 77th Leg.,		
39	R.S., Ch. 1376 . . . . .		3814.153
40	Sec. 376.470, as added Acts 77th Leg.,		
41	R.S., Ch. 1376 . . . . .		3814.154
42	Sec. 376.471, as added Acts 77th Leg.,		
43	R.S., Ch. 1376 . . . . .		3814.155
44	Sec. 376.472, as added Acts 77th Leg.,		
45	R.S., Ch. 1376 . . . . .		3814.156
46	Sec. 376.473, as added Acts 77th Leg.,		
47	R.S., Ch. 1376		
48	(a) . . . . .		3814.106
49	(b) . . . . .		3814.106
50	(c) . . . . .		3814.157
51	Sec. 376.474, as added Acts 77th Leg.,		
52	R.S., Ch. 1376 . . . . .		3814.152
53	Sec. 376.475, as added Acts 77th Leg.,		
54	R.S., Ch. 1376 . . . . .		3814.105
55	Sec. 376.476, as added Acts 77th Leg.,		
56	R.S., Ch. 1376 . . . . .		3814.201
57	Sec. 376.477, as added Acts 77th Leg.,		
58	R.S., Ch. 1376 . . . . .		3814.057
59	Sec. 376.451, as added Acts 77th Leg.,		
60	R.S., Ch. 1384		
61	(a) . . . . .		3816.002
62	(b) . . . . .	RN	3816.002
63	(c) . . . . .		3816.003
64	Sec. 376.452, as added Acts 77th Leg.,		
65	R.S., Ch. 1384 . . . . .		3816.003
66	Sec. 376.453, as added Acts 77th Leg.,		
67	R.S., Ch. 1384		
68	(1) . . . . .		3816.001

1	(2)	..	..	..	RN	3816.001
2	(3)	..	..	..		3816.001
3	(4)	..	..	..	RN	3816.001
4	(5)	..	..	..		3816.158
5	Sec. 376.455,	as added	Acts 77th Leg.,			
6	R.S., Ch. 1384					3816.005
7	Sec. 376.456,	as added	Acts 77th Leg.,			
8	R.S., Ch. 1384					3816.004
9	Sec. 376.457,	as added	Acts 77th Leg.,			
10	R.S., Ch. 1384					
11	(a)					3816.007
12	(b) (part)					3816.008
13	(part)				RN	3816.008
14	Sec. 376.458,	as added	Acts 77th Leg.,			
15	R.S., Ch. 1384					3816.009
16	Sec. 376.459,	as added	Acts 77th Leg.,			
17	R.S., Ch. 1384					
18	(a) (part)					3816.051
19	(part)					3816.052
20	(b)				RN	3816.051
21	Sec. 376.460,	as added	Acts 77th Leg.,			
22	R.S., Ch. 1384					
23	(a)					3816.052
24	(b)					3816.052
25	(c)					3816.052
26	(d)					3816.052
27	(e)				RN	3816.052
28	Sec. 376.461,	as added	Acts 77th Leg.,			
29	R.S., Ch. 1384					3816.053
30	Sec. 376.462,	as added	Acts 77th Leg.,			
31	R.S., Ch. 1384					3816.054
32	Sec. 376.463,	as added	Acts 77th Leg.,			
33	R.S., Ch. 1384					
34	(a)					3816.101
35	(b)					3816.101
36	(c)					3816.101
37	(d) (part)					3816.153
38	(part)					3816.155
39	(e)					3816.156
40	(f)					3816.006
41	Sec. 376.464,	as added	Acts 77th Leg.,			
42	R.S., Ch. 1384					
43	(a)					3816.103
44	(b)					3816.103
45	(c)					3816.103
46	(d)					3816.104
47	Sec. 376.465,	as added	Acts 77th Leg.,			
48	R.S., Ch. 1384					3816.102
49	Sec. 376.466,	as added	Acts 77th Leg.,			
50	R.S., Ch. 1384					3816.107
51	Sec. 376.467,	as added	Acts 77th Leg.,			
52	R.S., Ch. 1384					3816.151
53	Sec. 376.468,	as added	Acts 77th Leg.,			
54	R.S., Ch. 1384					3816.159
55	Sec. 376.469,	as added	Acts 77th Leg.,			
56	R.S., Ch. 1384					3816.154
57	Sec. 376.470,	as added	Acts 77th Leg.,			
58	R.S., Ch. 1384					3816.156
59	Sec. 376.471,	as added	Acts 77th Leg.,			
60	R.S., Ch. 1384					3816.157
61	Sec. 376.472,	as added	Acts 77th Leg.,			
62	R.S., Ch. 1384					3816.158
63	Sec. 376.473,	as added	Acts 77th Leg.,			
64	R.S., Ch. 1384					
65	(a)					3816.106
66	(b)					3816.106
67	(c)					3816.106
68	(d)					3816.160

1	Sec. 376.474, as added Acts 77th Leg.,	
2	R.S., Ch. 1384 . . . . .	3816.152
3	Sec. 376.475, as added Acts 77th Leg.,	
4	R.S., Ch. 1384 . . . . .	3816.105
5	Sec. 376.476, as added Acts 77th Leg.,	
6	R.S., Ch. 1384 . . . . .	3816.201
7	Sec. 376.451, as added Acts 77th Leg.,	
8	R.S., Ch. 1433	
9	(a) . . . . .	3817.002
10	(b) . . . . . RN	3817.002
11	Sec. 376.452, as added Acts 77th Leg.,	
12	R.S., Ch. 1433 . . . . .	3817.003
13	Sec. 376.453, as added Acts 77th Leg.,	
14	R.S., Ch. 1433	
15	(1) . . . . .	3817.001
16	(2) . . . . . RN	3817.001
17	(3) . . . . .	3817.001
18	(4) . . . . . RN	3817.001
19	Sec. 376.455, as added Acts 77th Leg.,	
20	R.S., Ch. 1433 . . . . .	3817.005
21	Sec. 376.456, as added Acts 77th Leg.,	
22	R.S., Ch. 1433 . . . . .	3817.004
23	Sec. 376.457, as added Acts 77th Leg.,	
24	R.S., Ch. 1433 . . . . .	3817.006
25	Sec. 376.458, as added Acts 77th Leg.,	
26	R.S., Ch. 1433 . . . . .	3817.007
27	Sec. 376.459, as added Acts 77th Leg.,	
28	R.S., Ch. 1433 . . . . .	3817.051
29	Sec. 376.460, as added Acts 77th Leg.,	
30	R.S., Ch. 1433 . . . . .	3817.052
31	Sec. 376.461, as added Acts 77th Leg.,	
32	R.S., Ch. 1433 . . . . .	3817.053
33	Sec. 376.462, as added Acts 77th Leg.,	
34	R.S., Ch. 1433 . . . . .	3817.152
35	Sec. 376.463, as added Acts 77th Leg.,	
36	R.S., Ch. 1433 . . . . .	3817.101
37	Sec. 376.464, as added Acts 77th Leg.,	
38	R.S., Ch. 1433 . . . . .	3817.104
39	Sec. 376.465, as added Acts 77th Leg.,	
40	R.S., Ch. 1433 . . . . .	3817.103
41	Sec. 376.466, as added Acts 77th Leg.,	
42	R.S., Ch. 1433 . . . . .	3817.102
43	Sec. 376.467, as added Acts 77th Leg.,	
44	R.S., Ch. 1433 . . . . .	3817.151
45	Sec. 376.468, as added Acts 77th Leg.,	
46	R.S., Ch. 1433	
47	(a) . . . . .	3817.105
48	(b) . . . . .	3817.105
49	(c) . . . . .	3817.105
50	(d) . . . . .	3817.158
51	Sec. 376.469, as added Acts 77th Leg.,	
52	R.S., Ch. 1433 . . . . .	3817.155
53	Sec. 376.470, as added Acts 77th Leg.,	
54	R.S., Ch. 1433 . . . . .	3817.154
55	Sec. 376.471, as added Acts 77th Leg.,	
56	R.S., Ch. 1433 . . . . .	3817.153
57	Sec. 376.472, as added Acts 77th Leg.,	
58	R.S., Ch. 1433 . . . . .	3817.157
59	Sec. 376.473, as added Acts 77th Leg.,	
60	R.S., Ch. 1433 . . . . .	3817.156
61	Sec. 376.474, as added Acts 77th Leg.,	
62	R.S., Ch. 1433 . . . . . RN	3817.106
63	Sec. 376.475, as added Acts 77th Leg.,	
64	R.S., Ch. 1433 . . . . .	3817.201
65	Sec. 376.476, as added Acts 77th Leg.,	
66	R.S., Ch. 1433 . . . . .	3817.106
67	Sec. 376.451, as added Acts 77th Leg.,	
68	R.S., Ch. 1476	

1		(a) . . . . .	3815.002
2		(b) . . . . . RN	3815.002
3		(c) . . . . .	3815.003
4	Sec. 376.452, as added Acts 77th Leg.,		
5	R.S., Ch. 1476 . . . . .		3815.003
6	Sec. 376.453, as added Acts 77th Leg.,		
7	R.S., Ch. 1476		
8		(1) . . . . .	3815.001
9		(2) . . . . . RN	3815.001
10		(3) . . . . .	3815.001
11		(4) . . . . . RN	3815.001
12	Sec. 376.455, as added Acts 77th Leg.,		
13	R.S., Ch. 1476 . . . . .		3815.005
14	Sec. 376.456, as added Acts 77th Leg.,		
15	R.S., Ch. 1476 . . . . .		3815.004
16	Sec. 376.457, as added Acts 77th Leg.,		
17	R.S., Ch. 1476 . . . . .		3815.006
18	Sec. 376.458, as added Acts 77th Leg.,		
19	R.S., Ch. 1476 . . . . .		3815.008
20	Sec. 376.459, as added Acts 77th Leg.,		
21	R.S., Ch. 1476		
22		(a) . . . . .	3815.051
23		(b) (part) . . . . . RN	3815.051
24		(part) . . . . .	3815.153
25	Sec. 376.460, as added Acts 77th Leg.,		
26	R.S., Ch. 1476		
27		(part) . . . . .	3815.052
28		(part) . . . . . RN	3815.052
29	Sec. 376.461, as added Acts 77th Leg.,		
30	R.S., Ch. 1476		
31		(part) . . . . .	3815.006
32		(part) . . . . .	3815.101
33		(part) . . . . .	3815.154
34		(part) . . . . .	3815.156
35	Sec. 376.462, as added Acts 77th Leg.,		
36	R.S., Ch. 1476 . . . . . RN		3815.105
37	Sec. 376.463, as added Acts 77th Leg.,		
38	R.S., Ch. 1476 . . . . .		3815.053
39	Sec. 376.464, as added Acts 77th Leg.,		
40	R.S., Ch. 1476 . . . . .		3815.054
41	Sec. 376.465, as added Acts 77th Leg.,		
42	R.S., Ch. 1476 . . . . . RN		3815.105
43	Sec. 376.466, as added Acts 77th Leg.,		
44	R.S., Ch. 1476		
45		(part) . . . . .	3815.007
46		(part) . . . . . RN	3815.007
47	Sec. 376.467, as added Acts 77th Leg.,		
48	R.S., Ch. 1476 . . . . .		3815.151
49	Sec. 376.468, as added Acts 77th Leg.,		
50	R.S., Ch. 1476 . . . . .		3815.102
51	Sec. 376.469, as added Acts 77th Leg.,		
52	R.S., Ch. 1476 . . . . .		3815.152
53	Sec. 376.470, as added Acts 77th Leg.,		
54	R.S., Ch. 1476		
55		(a) . . . . .	3815.158
56		(b) (part) . . . . . RN	3815.156
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