1-1 By: Isaac (Senate Sponsor - Campbell) H.B. No. 4184
1-2 (In the Senate - Received from the House May 18, 2015;
1-3 May 18, 2015, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 22, 2015, reported favorably by
1-5 the following vote: Yeas 6, Nays 0; May 22, 2015, sent to printer.)

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COMMITTEE VOTE

1-7		Yea	Nay	Absent	PNV
1-8	Lucio	Х			
1-9	Bettencourt	Х			
1-10	Campbell	Х			
1-11	Garcia	Х			
1-12	Menéndez	Х			
1-13	Nichols	Х			
1-14	Taylor of Galveston			Х	

A BILL TO BE ENTITLED AN ACT

1-17 relating to the Hays County Development District No. 1. 1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TE

1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 1-19 SECTION 1. Section 1, Chapter 1503, Acts of the 77th 1-20 Legislature, Regular Session, 2001, is amended by amending 1-21 Subsections (a) and (c) and adding Subsections (d) and (e) to read 1-22 as follows: 1-23 (a) The legislature finds that the creation of Hays County

1-23 (a) The legislature finds that the creation of Hays County 1-24 Development District No. 1 (the "district"), [and] the project 1-25 approved by the Hays County Commissioners Court on January 11, 2000 1-26 (the "project"), and other projects described by Section 5A will 1-27 serve the public purpose of attracting visitors and tourists to 1-28 Hays County and will result in employment and economic activity in 1-29 the manner contemplated by Section 52-a, Article III, Texas 1-30 Constitution, and Chapter 383, Local Government Code.

1-31 (c) The legislature further finds that the creation and 1-32 operation of the district and the acquisition or financing of the 1-33 project or another project described by Section 5A by the district 1-34 serve the purpose of Section 59, Article XVI, and Section 52, 1-35 Article III, Texas Constitution, and that all steps necessary to 1-36 create the district have been taken.

1-37 (d) The legislature further finds that the creation and 1-38 continued operation of the district is essential to accomplish the 1-39 purposes of Sections 52 and 52-a, Article III, and Section 59, 1-40 Article XVI, Texas Constitution, and other public purposes stated 1-41 in this Act.

1-41 in this Act. 1-42 (e) A legislative finding made under this Act is conclusive 1-43 and the district is not required to offer proof of the purpose or 1-44 results before exercising a power granted by this Act.

1-43 and the district is not required to origin proof of the purpose of 1-44 results before exercising a power granted by this Act. 1-45 SECTION 2. Section 5, Chapter 1503, Acts of the 77th 1-46 Legislature, Regular Session, 2001, is amended to read as follows: 1-47 Sec. 5. POWERS. (a) The district has all of the rights, 1-48 powers, privileges, authority, functions, and duties provided by 1-49 Chapters 375 and 383, Local Government Code, to county development 1-50 districts and municipal management districts, and by Chapters 49 1-51 and 54, Water Code, to municipal utility districts.

1-51 <u>and 54, Water Code, to municipal utility districts.</u>
1-52 (b) The district's rights, powers, privileges, authority,
1-53 <u>functions, and duties include</u>, [including] but <u>are not limited to:</u>
1-54 (1) the authority to levy, assess, and collect ad
1-55 valorem taxes for the purposes approved at the elections conducted
1-56 on November 7, 2000, or at an election conducted in the district
1-57 <u>after that date;</u>

1-58 (2) the authority, after approval by voters at an 1-59 election conducted within the boundaries of the district, to levy, 1-60 assess and collect taxes for maintenance and operating purposes in 1-61 the manner set forth in Sections 49.107(a)-(e), Water Code, and for

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2-1 the repayment of bonds, notes, warrants, lease purchase agreements, 2-2 certificates of assessment, certificates of participation in lease 2-3 purchase agreements, and other interest-bearing obligations in the 2-4 manner set forth in Sections 49.106(a)-(d), Water Code, and for all 2-5 of the purposes for which the district may expend funds;

2-6 (3) to establish, levy, and collect special 2-7 assessments in the manner specified in Sections 375.111-375.124, 2-8 Local Government Code; provided, however, that Sections 2-9 375.161-375.163, Local Government Code, shall not apply to the 2-10 assessments imposed by the district; 2-11 (4) to utilize funds, whether the funds are derived

2-11 (4) to utilize funds, whether the funds are derived 2-12 from ad valorem taxes, sales and use taxes, hotel occupancy taxes, 2-13 <u>assessments</u>, revenues from the project, or any other source, for 2-14 payment of projects or services in the manner authorized by 2-15 Section 375.181, Local Government Code, [and] Chapter 383, Local 2-16 Government Code, and Chapter 54, Water Code; 2-17 (5) to enter into obligations, including, but not

2-17 limited to, lease purchase agreements, certificates of participation in lease purchase agreements, general obligation 2-18 2-19 2-20 2-21 bonds and notes and revenue bonds and notes, and combination general obligation and revenue bonds and notes and other interest-bearing obligations, in the manner specified in Sections <u>375.201-375.205</u> [375.201-375.204], Local Government Code. To 2-22 2-23 enter into these obligations, the district shall obtain only those 2-24 2**-**25 2**-**26 approvals required for the issuance of obligations by Hays County by Chapter 53, Acts of the 70th Legislature, Second Called Session, 2-27 1987;

2-28 (6) to adopt <u>and exercise</u> the <u>rights</u>, powers, and 2-29 <u>authority</u> of a road district under Section 52(b)(3), Article III, 2-30 Texas Constitution, in the manner specified in Sections 53.029(c) 2-31 and (d), Water Code;

2-32 (7) to levy, assess, and collect ad valorem taxes to 2-33 make payments on a contract under Sections 49.108(a)-(d), Water 2-34 Code, after obtaining those approvals specified in Section 1, 2-35 Chapter 778, Acts of the 74th Legislature, Regular Session, 1995; 2-36 (8) to exercise all of the rights, powers, and

2-36 (8) to exercise all of the rights, powers, and 2-37 authority of a [road district, a municipal management district, and 2-38 a] water control and improvement district which are not 2-39 specifically contradicted by Chapter 383, Local Government Code; 2-40 and

2-41 (9) to exercise all of the rights, powers, and authority granted to the district by this Act, and all of the 2-42 authority granted to the district by this Act, and all of the rights, powers, and authority granted to the district by Chapters 383 and 375, Local Government Code, <u>and to a municipal utility</u> <u>district by Chapters 49 and 54, Water Code</u>, which are not contrary to [any provisions of] this Act, to finance, construct, or otherwise acquire the project, [or] any element of the project, or another project described by Section 5A [identified in the <u>Commissioners Court Order Upon Hearing and Granting Petition</u> <u>Requesting the Creation of Hays County Development District No. 1</u> and Appointing Temporary Directors dated January 11 2000] 2-43 2-44 2-45 2-46 2-47 2-48 2-49 2-50 2-51 and Appointing Temporary Directors dated January 11, 2000], including, but not limited to, <u>a</u> [the] hotel, <u>a</u> [the] golf course, [the] water, sewer, drainage, and road improvements, [the] organizational costs, and [the] costs of issuance of the 2-52 2-53 2-54 2-55

2-55 obligations of the district. 2-56 SECTION 3. Chapter 1503, Acts of the 77th Legislature, 2-57 Regular Session, 2001, is amended by adding Sections 5A, 5B, and 5C 2-58 to read as follows:

2-59 Sec. 5A. DISTRICT PROJECTS. (a) The district may provide, 2-60 or it may contract with a governmental or private entity to provide, 2-61 the following types of projects or activities in support of or 2-62 incidental to those projects:

2-63 (1) the project approved by the Hays County 2-64 Commissioners Court on January 11, 2000, wholly or partly;

2-65 (2) an improvement project that is a public 2-66 improvement, facility, or service that may be provided by the 2-67 district under the powers granted to the district of a county 2-68 development district, municipal management district, municipal 2-69 utility district, or water control and improvement district,

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including a water, wastewater, reclamation, drainage, road, trail, or bridge improvement; or 3-1 3-2 (3) a project, 3-3 other than the project or an improvement project described by Subdivision (2), that is approved 3-4 by the board and that the district is authorized to provide under 3-5 the powers granted to the district by this Act. (b) A project, improvement, facility, or service described 3-6 3-7 by Subsection (a)(2) or (3) is not required to have been considered 3-8 3-9 for or included in an order issued by the Hays County Commissioners 3-10 3-11 Court on January 11, 2000. Sec. 5B. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and 3-12 subdivision requirements, and regulations of each municipality in 3-13 3-14 whose corporate limits or extraterritorial jurisdiction the road (b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road 3**-**15 3**-**16 3-17 project must meet all applicable construction standards, 3-18 3-19 subdivision requirements, and regulations of each county in which the road project is located. (c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and 3-20 3-21 3-22 specifications of the road project. 3-23 Sec. 5C. LIMIT ON EMINENT DOMAIN POWER. <u>The district may</u> 3-24 not exercise the power of eminent domain outside the district and in the corporate limits or extraterritorial jurisdiction of a municipality unless the governing body of the municipality consents 3-25 3**-**26 3-27 by ordinance or resolution. SECTION 4. Section 7, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Subsection 3-28 3-29 3-30 3-31 (f) to read as follows: (f) Section 375.070, Local Government Code, does not apply 3-32 to the district. A director is entitled to receive fees of office 3-33 and reimbursement for actual expenses as provided by Section 3-34 <u>49.060, Water Code, except that:</u> (1) a director is entitled to receive fees of office of 3-35 3-36 not more than \$200 a day for each day the director actually spends 3-37 3-38 performing the duties of a director; and 3-39 (2) the district may not set the annual limit on the fees of office that a director may receive at an amount greater than 3-40 3-41 \$8,<u>2</u>00. SECTION 5. Section 8, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows: Sec. 8. LEGISLATIVE FINDINGS. [The legislature finds that 3-42 3-43 3-44 the principal function of the district is to provide for development and operation of the project, to facilitate economic development, and to attract visitors and tourists, which will 3-45 3-46 3-47 3-48 result in employment and economic activity in Hays County.] The 3-49 legislature finds that the district may provide water and sewer, <u>landscaping</u>, <u>road</u>, drainage, and <u>reclamation</u> services to residential retail or commercial customers <u>in the district</u>. The 3-50 3-51 district is a district described in Section 49.181(h)(4), Water 3-52 3-53 Code. SECTION 6. Section 9, Chapter 1503, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows: Sec. 9. ADDITION AND EXCLUSION OF LANDS. (a) Except as provided by Subsection (b), in [In] addition to the authority 3-54 3-55 3-56 3-57 granted to the district by Section 383.084, Local Government Code, 3-58 3-59 the district may add lands in the manner provided by Section 49.301, Water Code, and may exclude lands in the methods provided by Sections 49.303 through 49.308, Water Code. 3-60 3-61 3-62 (b) Section 42.0425, Local Government Code, applies to the annexation of land in the extraterritorial jurisdiction or 3-63 <u>corporate boundaries of a municipality.</u> (c) Land added or annexed under this section is not required to be contiguous to the district's territory. 3-64 3-65 3-66 SECTION 7. This Act does not affect an agreement between the district and a municipality in whose corporate limits or extraterritorial jurisdiction the district is located that was 3-67 3-68 3-69

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4-1 entered into before the effective date of this Act. This section 4-2 does not affect the authority of the district and municipality to 4-3 amend such an agreement.

4-4 SECTION 8. (a) The legislature confirms and validates all 4-5 actions of the Hays County Development District No. 1 that were 4-6 taken before the effective date of this Act, including any 4-7 elections conducted by the district, including any election to 4-8 impose maintenance and operation taxes or to adopt the powers of a 4-9 road district.

4-10 (b) The Hays County Development District No. 1 is not 4-11 required to repeat an election described by Subsection (a) of this 4-12 section.

4-13 SECTION 9. (a) The legal notice of the intention to 4-14 introduce this Act, setting forth the general substance of this 4-15 Act, has been published as provided by law, and the notice and a 4-16 copy of this Act have been furnished to all persons, agencies, 4-17 officials, or entities to which they are required to be furnished 4-18 under Section 59, Article XVI, Texas Constitution, and Chapter 313, 4-19 Government Code.

4-20 (b) The Texas Commission on Environmental Quality has filed 4-21 its recommendations relating to this Act with the governor, the 4-22 lieutenant governor, and the speaker of the house of 4-23 representatives within the required time.

4-24 (c) All requirements of the constitution and laws of this 4-25 state and the rules and procedures of the legislature with respect 4-26 to the notice, introduction, and passage of this Act are fulfilled 4-27 and accomplished.

4-28 SECTION 10. This Act takes effect immediately if it 4-29 receives a vote of two-thirds of all the members elected to each 4-30 house, as provided by Section 39, Article III, Texas Constitution. 4-31 If this Act does not receive the vote necessary for immediate 4-32 effect, this Act takes effect September 1, 2015.

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