

By: Geren

H.B. No. 2639

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the powers and duties of the Tarrant Regional Water
3 District.

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

5 SECTION 1. Section 17(a), Chapter 268, Acts of the 55th
6 Legislature, Regular Session, 1957, is amended to read as follows:

7 (a) The district may make and enforce reasonable rules,
8 permits, orders, and ordinances necessary to accomplish the
9 district's authorized purposes, including:

10 (1) to secure and maintain safe, sanitary, and
11 adequate plumbing installations, connections, and appurtenances as
12 subsidiary parts of sanitary sewer systems;

13 (2) to preserve the sanitary condition of all land and
14 water controlled by the district;

15 (3) to prevent the waste or unauthorized use of water;

16 (4) to regulate residing, hunting, fishing, boating,
17 and camping, and all recreational and business privileges on any
18 body or stream of water, or any body of land, or any easement owned
19 or controlled by the district; ~~and~~

20 (5) to regulate privileges on any land, easement, or
21 property interest adjoining a reservoir or other property of the
22 district to prevent activities on such adjoining land, easement, or
23 property interest that could adversely affect the purity of water
24 in this state; and

1 (6) to promote state or local economic development and
2 stimulate business and commercial activity in the district.

3 SECTION 2. Chapter 268, Acts of the 55th Legislature,
4 Regular Session, 1957, is amended by adding Section 17A to read as
5 follows:

6 Sec. 17A. A determination by the board of directors of the
7 district that a public works project is intended to conserve and
8 develop the natural resources of this state, to promote recreation
9 or economic development, or to control, store, preserve, develop,
10 or distribute the district's storm and flood waters, and the waters
11 of the district's rivers and streams, is conclusive with regard to
12 whether the project serves the purposes for which the district was
13 created or authorized.

14 SECTION 3. Section 18, Chapter 268, Acts of the 55th
15 Legislature, Regular Session, 1957, is amended to read as follows:

16 Sec. 18. The district may provide for or participate in the
17 acquisition, construction, development, operation, or maintenance
18 of recreational facilities to the full extent authorized by Section
19 59, Article XVI, Texas Constitution, the Water Code, or other
20 applicable law.

21 SECTION 4. Chapter 268, Acts of the 55th Legislature,
22 Regular Session, 1957, is amended by adding Section 18A to read as
23 follows:

24 Sec. 18A. (a) The district may provide for or participate
25 in the acquisition, construction, development, operation, or
26 maintenance of facilities intended to promote economic development
27 to the full extent authorized by Section 52-a, Article III, Texas

1 Constitution.

2 (b) The district may engage in activities intended to
3 stimulate business and commercial activity in the district,
4 including making loans or grants of money for economic development
5 purposes in accordance with Section 52-a, Article III, Texas
6 Constitution, and may acquire for economic development purposes the
7 fee simple title or a lesser property interest in land for the
8 district's use or for the sale or lease of the land for a
9 reclamation, economic development, or water control or development
10 project.

11 (c) The district may sponsor and participate in an economic
12 development program intended to strengthen the economic base and
13 further the economic development of this state.

14 (d) A determination by the board of directors of the
15 district that an economic development program is intended and
16 expected to accomplish the program's stated purposes is conclusive
17 with respect to whether the program serves the purposes of this
18 section.

19 (e) An economic development program must be within the
20 boundaries of the district.

21 (f) An economic development program may be established only
22 by formal action of the board of directors of the district.

23 (g) If the board of directors of the district establishes an
24 economic development program, the board must:

25 (1) establish the goals of the program;

26 (2) impose requirements on persons participating in or
27 receiving a benefit from the program; and

1 (3) provide restrictions, procedures, and budget
2 limits that the board of directors determines are necessary to
3 ensure that the governmental purposes of this section and the
4 program are achieved.

5 (h) An economic development program may involve the
6 granting or lending of money, services, or property to a person
7 engaged in an economic development activity.

8 (i) The district may employ staff and spend its resources,
9 other than money received from an ad valorem tax or a general
10 appropriation, to further an economic development program.

11 (j) The district may apply for and receive money, grants, or
12 other assistance from any source to implement an economic
13 development program.

14 (k) The district and any public or private person may enter
15 into an agreement concerning an economic development program,
16 including an agreement under Chapter 791, Government Code.

17 SECTION 5. Chapter 268, Acts of the 55th Legislature,
18 Regular Session, 1957, is amended by adding Section 18B to read as
19 follows:

20 Sec. 18B. (a) The board of directors of the district may by
21 resolution create one or more nonprofit corporations to act on
22 behalf of the district as the district's authority and
23 instrumentality.

24 (b) A nonprofit corporation created under Subsection (a) of
25 this section shall:

26 (1) establish and maintain the principal office of the
27 corporation inside the boundaries of the district; and

1 (2) exercise the corporation's powers relating to real
2 property or tangible personal property only inside the boundaries
3 of the district.

4 (c) Except as otherwise provided by this section, the Texas
5 Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's
6 Texas Civil Statutes) applies to a corporation created under this
7 section.

8 (d) Sections 5-20 and 33-36, Development Corporation Act of
9 1979 (Article 5190.6, Vernon's Texas Civil Statutes), apply to a
10 corporation created under this section.

11 (e) A corporation created under this section may exercise
12 any power of the district, but the corporation may exercise the
13 power of eminent domain and the power to acquire, lease, purchase,
14 or sell real property only on approval of the board of directors of
15 the district. When exercising a power under this section, a
16 corporation and the corporation's board of directors have the same
17 powers as the district and the district's board of directors,
18 including the power to issue bonds or other obligations or
19 otherwise borrow money on behalf of the district to accomplish any
20 purpose of the corporation.

21 (f) The board of directors of a corporation created under
22 this section may exercise the power to issue an obligation granted
23 to the governing body of an issuer under Chapter 1371, Government
24 Code.

25 (g) A corporation created under this section and the
26 district may:

27 (1) share officers, directors, employees, equipment,

1 and facilities; and

2 (2) provide goods and services to each other at cost
3 without the requirement of competitive bidding.

4 (h) The board of directors of the district shall appoint the
5 directors of a corporation created under this section. The
6 directors of the corporation serve at the will of the district's
7 board of directors.

8 (i) A member of the district's board of directors may serve
9 as a member of the corporation's board of directors.

10 (j) The budget of a corporation created under this section
11 must be approved by the board of directors of the district.

12 (k) The activities of the district's corporation are
13 subject to the continuing review and supervision of the district's
14 board of directors.

15 (l) The issuance of bonds or other obligations under this
16 Act by a corporation created under this section must be approved by
17 the board of directors of the district.

18 (m) The district's board of directors may sell, lease, loan,
19 or otherwise transfer some, all, or substantially all of the real
20 property of the district to a corporation created under this
21 section. The property transfer must be made under terms approved by
22 the board of directors of the district.

23 (n) Under Section 52-a, Article III, Texas Constitution, a
24 corporation that has been created in accordance with this section
25 may guarantee or otherwise provide credit support for any public
26 security or other obligation or contract of the corporation if the
27 board of directors of the district determines that the guarantee or

1 other credit agreement:

2 (1) is beneficial to a public purpose of the district;

3 and

4 (2) is for the public purpose of:

5 (A) the development and diversification of the
6 economy of this state;

7 (B) the elimination of unemployment or
8 underemployment in this state; or

9 (C) the development or expansion of commerce in
10 this state.

11 (o) A determination by the board of directors of the
12 district under Subsection (n) of this section is conclusive.

13 (p) A guarantee or other credit agreement authorized by
14 Subsection (n) of this section may provide for the guarantee of or
15 other credit support for public securities or other obligations or
16 contracts of the corporation, all or a portion of which may be
17 authorized, executed, and delivered in the future.

18 (q) Chapter 1202, Government Code, applies to a guarantee or
19 other credit agreement under this section as if the guarantee or
20 other credit agreement were a public security.

21 SECTION 6. Section 21, Chapter 268, Acts of the 55th
22 Legislature, Regular Session, 1957, is amended to read as follows:

23 Sec. 21. (a) Subchapter I, Chapter 49, Water Code, applies
24 to the district, except when the district is purchasing goods or
25 services described by Section 252.022, Local Government Code.

26 (b) The district may use the competitive proposal method
27 when the board of directors of the district determines that doing so

1 is in the best interest of the district.

2 SECTION 7. This Act takes effect September 1, 2005.