

BILL ANALYSIS

Senate Research Center
83R11150 SGA-F

H.B. 3913
By: Parker (Nelson)
Intergovernmental Relations
5/13/2013
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Canyon Falls Water Control and Improvement District No. 2 of Denton County (district), which is located within the corporate limits of the City of North Lake, is currently authorized to provide certain services to land located within district boundaries. Interested parties note the need to amend the powers of the district to include, among other things, the power to undertake certain road projects.

H.B. 3913 amends current law relating to the powers and duties of the Canyon Falls Water Control and Improvement District No. 2 of Denton County, provides authority to issue bonds, and provides authority to impose taxes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle I, Title 6, Special District Local Laws Code, by adding Chapter 9046, as follows:

CHAPTER 9046. CANYON FALLS WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 OF DENTON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9046.001. DEFINITION. Defines "district" in this chapter.

Sec. 9046.002. NATURE AND PURPOSES OF DISTRICT. (a) Provides that the Canyon Falls Water Control and Improvement District No. 2 of Denton County (district) is a water control and improvement district created under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution.

(b) Creates the district to accomplish the purposes of a water control and improvement district as provided by general law and Section 59, Article XVI, Texas Constitution, and Section 52 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 9046.051. GENERAL POWERS AND DUTIES. Provides that the district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 9046.052. WATER CONTROL AND IMPROVEMENT DISTRICT POWERS AND DUTIES. Provides that the district has the powers and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts) and 51 (Water Control and Improvement Districts), Water Code, applicable to water control and improvement districts created under Section 59, Article XVI, Texas Constitution.

Sec. 9046.053. AUTHORITY FOR ROAD PROJECTS. Authorizes the district, under Section 52, Article III, Texas Constitution, to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 9046.054. ROAD STANDARDS AND REQUIREMENTS. (a) Requires that a road project meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) Requires that a road project, if the road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) Requires the Texas Transportation Commission, if the state will maintain and operate the road, to approve the plans and specifications of the road project.

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

Sec. 9046.101. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. (a) Authorizes the district to issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for a road project authorized by Section 9046.053.

(b) Prohibits the district from issuing bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

(c) Prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes, at the time of issuance, from exceeding one-fourth of the assessed value of real property in the district.

Sec. 9046.102. TAXES FOR BONDS. Requires the board of directors of the district, at the time the district issues bonds payable wholly or partly from ad valorem taxes, to provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding.

SECTION 2. Provides that the district retains all the rights, powers, privileges, authority, duties, and functions that it had before the effective date of this Act.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2013.