

A NONSUBSTANTIVE REVISION  
OF LOCAL LAWS RELATING TO  
SPECIAL DISTRICTS

Submitted to the 83rd Legislature  
as part of the  
Texas Legislative Council's  
Statutory Revision Program

Austin, Texas

2013

## FOREWORD

The Texas Legislative Council is required by Section 323.007, Government Code, to carry out a complete nonsubstantive revision of the Texas statutes. The process involves reclassifying and rearranging the statutes in a more logical order, eliminating repealed, invalid, duplicative, and other ineffective provisions while employing a format and numbering system that will accommodate future expansion of the law, and improving the draftsmanship of the statutes as practicable. The revision is intended to further the legislature's stated purpose of making the statutes "more accessible, understandable, and usable" without altering the sense, meaning, or effect of the law.

Under the new classification scheme adopted by the Texas Legislative Council, the statutes will eventually consist of 27 codes, each governing a different subject matter. To date, the council has produced and the legislature has enacted the Agriculture Code, Alcoholic Beverage Code, Business & Commerce Code, Civil Practice and Remedies Code, Education Code, Election Code (a substantive revision), Estates Code, Finance Code, Government Code, Health and Safety Code, Human Resources Code, Insurance Code, Labor Code, Local Government Code, Natural Resources Code, Occupations Code, Parks and Wildlife Code, Property Code, Tax Code (Title 1 of which was a substantive revision), Transportation Code, Utilities Code, and Water Code. The 78th Legislature, Regular Session, 2003, enacted a Special District Local Laws Code of which the following revised laws form a part. The council's staff also assisted the state bar in the Business Organizations Code, Penal Code, and Family Code projects, which were substantive revisions, and revised miscellaneous criminal procedure provisions as Title 2 of the Code of Criminal Procedure.

The revised local laws governing special districts included in this revision are placed into the Special District Local Laws Code enacted by the 78th Legislature, Regular Session, 2003, according to the structure established by that enactment. The Special District Local Laws Code is divided into titles by broad subject matter, subtitles by type of special district, chapters governing individual districts, subchapters for organization, and sections for distinct provisions of law. Sections are numbered decimally, with the number to the left of the decimal the same as the number of the chapter in which the section is contained. Because the code concerns a great number of individual special districts, the code is organized to provide a unique chapter number for each district whose governing laws have been revised. Gaps have been left in chapter and section numbering to accommodate later expansions of the law.

This revisor's report reflects the enactment of Chapter 112, Acts of the 83rd Legislature, Regular Session, 2013, the Texas Legislative Council staff's revision of local laws governing various kinds of special districts in this state. The revisor's report states the Revised Law, which is the text of the new law, and then provides the Source Law, which is the text of the former law from which the new law was derived. If further explanation of either the revised law or the source law is required, a Revisor's

Note is included after the source law. All substance of the source law is revised in the revised law or the reason for its omission is explained in a revisor's note.

Note that this revision does not take effect until April 1, 2015, to provide all affected persons a complete legislative cycle to review the revision more closely.

Because of the extensive reorganization of many statutes, and even provisions within a statute, it may be helpful to refer to the source law for a given chapter as a whole, so that it may be read in its former context, and to refer to the disposition table, which shows where the former statutes, as revised, appear in this code. The disposition table is printed as Appendix C to the revisor's report.

The revision required conforming amendments to several statutes. These amendments, also enacted into law by Chapter 112, Acts of the 83rd Legislature, Regular Session, 2013, are printed in Appendix A to the revisor's report. Appendix A also includes a section listing the laws repealed effective April 1, 2015, and a section stating the legislature's intent that the code be a nonsubstantive revision.

In reviewing this revisor's report, the reader should keep in mind that:

(1) Except as otherwise provided, Chapter 311, Government Code (Code Construction Act), applies to the code. That chapter sets out certain principles of statutory construction applicable to new codes and also provides some definitions. The chapter is printed as Appendix B to this report.

(2) The proposed code is written in modern American English. Where possible, the present tense is used, the active voice is used in preference to the passive voice, and the singular is used in preference to the plural.

(3) This is a nonsubstantive revision. The Texas Legislative Council staff's authority does not include improving the substance of the source law. The sole purpose of the revision is to compile all the relevant law, arrange it in a logical fashion, and rewrite it without altering its sense, meaning, or legal effect. If a particular source law statute is ambiguous and the ambiguity cannot be resolved without a potential substantive effect, the ambiguity is preserved.

The revision of hospital district statutes and certain water district statutes in this revision project is under the direction of Cathy Eady, Legislative Counsel, of the Texas Legislative Council's legal division staff. The revision of additional water district statutes in this revision project is under the direction of Jennifer Jackson, Legislative Counsel, of the Texas Legislative Council's legal division staff. Questions may be directed to the appropriate person at P.O. Box 12128, Capitol Station, Austin, Texas 78711-2128, or by telephone at (512) 463-1155.

1 SPECIAL DISTRICT LOCAL LAWS CODE  
2 TITLE 3. HEALTH  
3 SUBTITLE A. HOSPITAL DISTRICTS  
4 CHAPTER 1075. STAMFORD HOSPITAL DISTRICT  
5 CHAPTER 1076. STARR COUNTY HOSPITAL DISTRICT OF STARR COUNTY,  
6 TEXAS  
7 CHAPTER 1087. RANKIN COUNTY HOSPITAL DISTRICT  
8 CHAPTER 1096. SOUTH LIMESTONE HOSPITAL DISTRICT  
9 CHAPTER 1107. TITUS COUNTY HOSPITAL DISTRICT  
10 CHAPTER 1109. TYLER COUNTY HOSPITAL DISTRICT  
11 CHAPTER 1110. VAL VERDE COUNTY HOSPITAL DISTRICT  
12 CHAPTER 1112. WEST COKE COUNTY HOSPITAL DISTRICT  
13 CHAPTER 1113. WILBARGER COUNTY HOSPITAL DISTRICT  
14 CHAPTER 1114. WILLACY COUNTY HOSPITAL DISTRICT  
15 CHAPTER 1115. WILSON COUNTY MEMORIAL HOSPITAL DISTRICT  
16 CHAPTER 1116. WOOD COUNTY CENTRAL HOSPITAL DISTRICT OF WOOD  
17 COUNTY, TEXAS  
18 CHAPTER 1117. YOAKUM HOSPITAL DISTRICT  
19 TITLE 6. WATER AND WASTEWATER  
20 SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS  
21 CHAPTER 7803. IRVING FLOOD CONTROL DISTRICT SECTION I  
22 CHAPTER 7805. IRVING FLOOD CONTROL DISTRICT SECTION III  
23 SUBTITLE F. MUNICIPAL UTILITY DISTRICTS  
24 CHAPTER 8308. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT  
25 NO. 4  
26 CHAPTER 8312. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 387  
27 CHAPTER 8381. NORTH PARK PUBLIC UTILITY DISTRICT  
28 CHAPTER 8387. NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT  
29 NO. 1  
30 CHAPTER 8388. NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT  
31 NO. 2  
32 CHAPTER 8389. NORTHWEST FOREST MUNICIPAL UTILITY DISTRICT  
33 CHAPTER 8391. OAKMONT PUBLIC UTILITY DISTRICT  
34 CHAPTER 8393. PINE BOUGH PUBLIC UTILITY DISTRICT

- 1 CHAPTER 8394. PINE VILLAGE PUBLIC UTILITY DISTRICT
- 2 CHAPTER 8395. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 3
- 3 CHAPTER 8396. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4
- 4 CHAPTER 8397. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5
- 5 CHAPTER 8398. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 6
- 6 CHAPTER 8399. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 7
- 7 CHAPTER 8400. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 8
- 8 CHAPTER 8401. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 9
- 9 CHAPTER 8402. ROLLING CREEK UTILITY DISTRICT
- 10 CHAPTER 8403. ROLLING FORK PUBLIC UTILITY DISTRICT
- 11 CHAPTER 8404. ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3
- 12 CHAPTER 8405. ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 4
- 13 CHAPTER 8406. SPRING CREEK FOREST PUBLIC UTILITY DISTRICT
- 14 CHAPTER 8407. SPRING CREEK UTILITY DISTRICT
- 15 CHAPTER 8410. QUAIL CREEK MUNICIPAL UTILITY DISTRICT
- 16 SUBTITLE G. RIVER AUTHORITIES
- 17 CHAPTER 8504. LOWER NECHES VALLEY AUTHORITY
- 18 CHAPTER 8505. CENTRAL COLORADO RIVER AUTHORITY
- 19 SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER
- 20 CHAPTER 8847. PINEYWOODS GROUNDWATER CONSERVATION DISTRICT
- 21 CHAPTER 8853. KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
- 22 CHAPTER 8858. KIMBLE COUNTY GROUNDWATER CONSERVATION DISTRICT
- 23 CHAPTER 8861. MENARD COUNTY UNDERGROUND WATER DISTRICT
- 24 CHAPTER 8862. MIDDLE TRINITY GROUNDWATER CONSERVATION DISTRICT
- 25 CHAPTER 8863. NECHES AND TRINITY VALLEYS GROUNDWATER  
26 CONSERVATION DISTRICT
- 27 CHAPTER 8864. PECAN VALLEY GROUNDWATER CONSERVATION DISTRICT
- 28 CHAPTER 8865. POST OAK SAVANNAH GROUNDWATER CONSERVATION  
29 DISTRICT
- 30 CHAPTER 8866. MID-EAST TEXAS GROUNDWATER CONSERVATION DISTRICT
- 31 CHAPTER 8867. ROLLING PLAINS GROUNDWATER CONSERVATION DISTRICT
- 32 CHAPTER 8868. SOUTHEAST TEXAS GROUNDWATER CONSERVATION DISTRICT
- 33 CHAPTER 8869. WES-TEX GROUNDWATER CONSERVATION DISTRICT
- 34 CHAPTER 8870. TRINITY GLEN ROSE GROUNDWATER CONSERVATION

1 DISTRICT

2 SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

3 CHAPTER 9013. BELL COUNTY WATER CONTROL AND IMPROVEMENT

4 DISTRICT NO. 6

5 CHAPTER 9018. BOLING MUNICIPAL WATER DISTRICT

6 CHAPTER 9019. BROOKSHIRE MUNICIPAL WATER DISTRICT

7 CHAPTER 9026. CEDAR BAYOU PARK UTILITY DISTRICT

8 CHAPTER 9029. CLEAR LAKE CITY WATER AUTHORITY

9 CHAPTER 9032. COKE COUNTY KICKAPOO WATER CONTROL AND

10 IMPROVEMENT DISTRICT NO. 1

11 CHAPTER 9033. COMMODORE COVE IMPROVEMENT DISTRICT

12 SUBTITLE X. DISTRICTS WITH COMBINED POWERS

13 CHAPTER 11003. MATADOR WATER DISTRICT

14 SECTION 1.01. Subtitle A, Title 3, Special District Local

15 Laws Code, is amended by adding Chapters 1075, 1076, 1087, 1096,

16 1107, 1109, 1110, 1112, 1113, 1114, 1115, 1116, and 1117 to read as

17 follows:

18 TITLE 3. HEALTH

19 SUBTITLE A. HOSPITAL DISTRICTS

20 CHAPTER 1075. STAMFORD HOSPITAL DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 1075.001. DEFINITIONS . . . . . 5

23 Sec. 1075.002. AUTHORITY FOR CREATION . . . . . 5

24 Sec. 1075.003. ESSENTIAL PUBLIC FUNCTION . . . . . 6

25 Sec. 1075.004. DISTRICT TERRITORY . . . . . 6

26 Sec. 1075.005. DISTRICT SUPPORT AND MAINTENANCE NOT

27 STATE OBLIGATION . . . . . 8

28 Sec. 1075.006. RESTRICTION ON STATE FINANCIAL

29 ASSISTANCE . . . . . 8

30 [Sections 1075.007-1075.050 reserved for expansion]

31 SUBCHAPTER B. DISTRICT ADMINISTRATION

32 Sec. 1075.051. BOARD ELECTION; TERM . . . . . 10

33 Sec. 1075.052. NOTICE OF ELECTION . . . . . 13

34 Sec. 1075.053. BALLOT PETITION . . . . . 13

1	Sec. 1075.054.	QUALIFICATIONS FOR OFFICE . . . . .	14
2	Sec. 1075.055.	BOND; RECORD OF BOND AND OATH . . . . .	15
3	Sec. 1075.056.	BOARD VACANCY . . . . .	15
4	Sec. 1075.057.	OFFICERS . . . . .	16
5	Sec. 1075.058.	COMPENSATION; EXPENSES . . . . .	16
6	Sec. 1075.059.	DISTRICT ADMINISTRATOR; ASSISTANT	
7		ADMINISTRATOR . . . . .	17
8	Sec. 1075.060.	GENERAL DUTIES OF DISTRICT	
9		ADMINISTRATOR . . . . .	18
10	Sec. 1075.061.	EMPLOYEES . . . . .	18
11	Sec. 1075.062.	RETIREMENT PROGRAM . . . . .	18
12		[Sections 1075.063-1075.100 reserved for expansion]	
13		SUBCHAPTER C. POWERS AND DUTIES	
14	Sec. 1075.101.	DISTRICT RESPONSIBILITY . . . . .	19
15	Sec. 1075.102.	RESTRICTION ON POLITICAL SUBDIVISION	
16		TAXATION AND DEBT . . . . .	19
17	Sec. 1075.103.	MANAGEMENT, CONTROL, AND ADMINISTRATION . .	21
18	Sec. 1075.104.	HOSPITAL SYSTEM . . . . .	21
19	Sec. 1075.105.	RULES . . . . .	21
20	Sec. 1075.106.	PURCHASING AND ACCOUNTING . . . . .	22
21	Sec. 1075.107.	RATES AND CHARGES . . . . .	22
22	Sec. 1075.108.	EMINENT DOMAIN . . . . .	23
23	Sec. 1075.109.	GIFTS AND ENDOWMENTS . . . . .	24
24	Sec. 1075.110.	CONTRACTS WITH GOVERNMENTAL ENTITIES	
25		FOR CARE AND TREATMENT . . . . .	24
26	Sec. 1075.111.	PAYMENT FOR TREATMENT; PROCEDURES . . . . .	25
27	Sec. 1075.112.	AUTHORITY TO SUE AND BE SUED . . . . .	26
28		[Sections 1075.113-1075.150 reserved for expansion]	
29		SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS	
30	Sec. 1075.151.	BUDGET . . . . .	26
31	Sec. 1075.152.	FISCAL YEAR . . . . .	27
32	Sec. 1075.153.	AUDIT . . . . .	27
33	Sec. 1075.154.	FINANCIAL REPORT . . . . .	28
34	Sec. 1075.155.	DEPOSITORY . . . . .	28

1 Sec. 1075.156. AUTHORITY TO BORROW MONEY; SECURITY . . . . . 29

2 [Sections 1075.157-1075.200 reserved for expansion]

3 SUBCHAPTER E. BONDS

4 Sec. 1075.201. GENERAL OBLIGATION BONDS . . . . . 30

5 Sec. 1075.202. TAX TO PAY GENERAL OBLIGATION BONDS . . . . . 31

6 Sec. 1075.203. GENERAL OBLIGATION BOND ELECTION . . . . . 32

7 Sec. 1075.204. EXECUTION OF GENERAL OBLIGATION BONDS . . . . . 34

8 Sec. 1075.205. REFUNDING BONDS . . . . . 35

9 Sec. 1075.206. BONDS EXEMPT FROM TAXATION . . . . . 36

10 [Sections 1075.207-1075.250 reserved for expansion]

11 SUBCHAPTER F. TAXES

12 Sec. 1075.251. IMPOSITION OF AD VALOREM TAX . . . . . 40

13 Sec. 1075.252. TAX RATE . . . . . 40

14 CHAPTER 1075. STAMFORD HOSPITAL DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Revised Law

17 Sec. 1075.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

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

21 (3) "District" means the Stamford Hospital District.

22 (New.)

23 Revisor's Note

24 The definitions of "board," "director," and  
25 "district" are added to the revised law for drafting  
26 convenience and to eliminate frequent, unnecessary  
27 repetition of the substance of the definitions.

28 Revised Law

29 Sec. 1075.002. AUTHORITY FOR CREATION. The Stamford  
30 Hospital District is created under the authority of Section 9,  
31 Article IX, Texas Constitution, and has the rights, powers, and  
32 duties prescribed by this chapter. (Acts 59th Leg., R.S., Ch. 108,  
33 Sec. 1 (part).)



1 district were expanded in accordance with Section 1a,  
2 the revised law omits the reference to the district  
3 boundaries described by Section 1 as superseded and  
4 the reference in Section 1a to the expansion  
5 procedures as executed. The omitted law reads:

6           Sec. 1. . . . [Stamford Hospital  
7 District . . . shall] have boundaries  
8 coterminous with the boundaries of the  
9 Stamford County Line Independent School  
10 District of Jones and Haskell Counties,  
11 Texas, as fixed on the effective date of  
12 this Act, and . . . .

13           Sec. 1a. The boundaries of the  
14 Stamford Hospital District may be changed  
15 so as to include the territory located in  
16 Jones and Haskell Counties, Texas,  
17 described below, and if such change in  
18 boundaries is effected, the district as  
19 enlarged shall assume and be obligated to  
20 pay all indebtedness of the district as the  
21 same exists prior to such expansion of  
22 boundaries within the taxing limit approved  
23 at the election for which provision is  
24 hereafter made, and shall continue to have  
25 the same duties and responsibilities, over  
26 its extended boundaries, as now imposed,  
27 except as modified by this Act. In the  
28 event the change in boundaries of said  
29 District is approved at an election as  
30 hereinafter provided, the boundaries of the  
31 Stamford Hospital District shall be as  
32 follows: . . . .

33           (3) Section 3a, Chapter 108, Acts of the 59th  
34 Legislature, Regular Session, 1965, provides  
35 procedures for expanding the originally created  
36 Stamford Hospital District to include the territory  
37 described in Section 1a of that chapter. Because the  
38 expansion of the district was approved at an election  
39 held for that purpose, the revised law omits those  
40 provisions as executed. The omitted law reads:

41           Sec. 3a. The change in the boundaries  
42 of the Stamford Hospital District, as  
43 provided in Section 1a above, shall not be  
44 effective unless and until such change is  
45 approved by a majority of the qualified  
46 property taxpaying electors residing within  
47 the boundaries described in Section 1a of  
48 this Act, voting at an election called for  
49 that purpose. The election shall be called  
50 by the board of directors of the District  
51 and shall be held not less than twenty (20)  
52 nor more than sixty (60) days from the date  
53 of the order calling such election. The  
54 order calling the election shall specify

1 the time and places of holding the same, the  
2 form of the ballot and name the presiding  
3 and alternate judges for each voting place.  
4 Notice of the election shall be given by  
5 publishing a substantial copy of the  
6 election order in a newspaper of general  
7 circulation in the area described in  
8 Section 1a of this Act, once a week for two  
9 consecutive weeks, the first publication to  
10 appear at least fourteen (14) days prior to  
11 the date set for the election. At the  
12 election there shall be submitted to the  
13 qualified property taxpaying electors  
14 residing within the boundaries described in  
15 Section 1a of this Act the proposition of  
16 whether the boundaries of the Stamford  
17 Hospital District shall be expanded so as to  
18 include certain territory in Jones and  
19 Haskell Counties, Texas and . . . . The  
20 ballots shall be printed to provide for  
21 voting for or against the proposition:

22 "The expansion of the boundaries of  
23 the Stamford Hospital District and the levy  
24 of a tax not to exceed seventy-five cents  
25 (75¢) on the one hundred dollar valuation of  
26 all taxable property within the expanded  
27 boundaries of the district."

28 Revised Law

29 Sec. 1075.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
30 OBLIGATION. The support and maintenance of the district may not  
31 become a charge against or obligation of this state. (Acts 59th  
32 Leg., R.S., Ch. 108, Sec. 18 (part).)

33 Source Law

34 Sec. 18. The support and maintenance of the  
35 Stamford Hospital District shall never become a charge  
36 against or obligation of the State of Texas, . . . .

37 Revised Law

38 Sec. 1075.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
39 The legislature may not make a direct appropriation for the  
40 construction, maintenance, or improvement of a district facility.  
41 (Acts 59th Leg., R.S., Ch. 108, Sec. 18 (part).)

42 Source Law

43 Sec. 18. . . . nor shall any direct  
44 appropriation be made by the Legislature for the  
45 construction, maintenance or improvement of any of the  
46 facilities of such District.

47 Revisor's Note  
48 (End of Subchapter)

49 Section 3, Chapter 108, Acts of the 59th  
50 Legislature, Regular Session, 1965, provides  
51 procedures for holding an election on the creation of

1 the district and the imposition of an ad valorem tax.  
2 Section 7 of that act provides that the election may  
3 include a bond proposition. Because the election has  
4 been held, the revised law omits those provisions as  
5 executed. The omitted law reads:

6           Sec. 3. The District shall not be  
7 created nor shall any tax therein be  
8 authorized unless and until such creation  
9 and such tax are approved by a majority of  
10 the qualified property taxpaying electors  
11 of the District voting at an election called  
12 for such purpose. Such election shall be  
13 called by a majority of the temporary or  
14 provisional directors of the District and  
15 shall be held not less than twenty (20) nor  
16 more than thirty-five (35) days from the  
17 time such election is ordered. The order  
18 calling the election shall specify the time  
19 and places of holding same, the form of  
20 ballot and the presiding judge for each  
21 voting place. Notice of election shall be  
22 given by publishing a substantial copy of  
23 the election order in a newspaper of general  
24 circulation in the area of the proposed  
25 District, once a week for two consecutive  
26 weeks, the first publication to appear at  
27 least fourteen (14) days prior to the date  
28 set for the election. The failure of any  
29 such election shall not operate to prohibit  
30 the calling and holding of subsequent  
31 elections for the same purpose. At said  
32 election there shall be submitted to the  
33 qualified property taxpaying electors of  
34 said proposed District the proposition of  
35 whether or not Stamford Hospital District  
36 shall be created with authority to levy  
37 annual taxes at a rate not to exceed  
38 seventy-five cents (75¢) on the one hundred  
39 dollar valuation of all taxable property  
40 within such District for the purpose of  
41 meeting the requirements of the District's  
42 bonds, and its maintenance and operating  
43 expenses, and a majority of the qualified  
44 property taxpaying electors of the District  
45 voting at said election in favor of the  
46 proposition shall be sufficient for its  
47 adoption. The ballots shall have printed  
48 thereon the following:

49           "FOR the creation of Stamford Hospital  
50 District, the levy of a tax not to exceed  
51 seventy-five cents (75¢) on the one hundred  
52 dollar valuation"; and

53           "AGAINST the creation of Stamford  
54 Hospital District, the levy of a tax not to  
55 exceed seventy-five cents (75¢) on the one  
56 hundred dollar valuation."

57           Sec. 7. . . . A proposition as to  
58 whether or not the Board of Directors of the  
59 District (in the event same is created)  
60 shall be authorized to issue bonds for the  
61 purposes specified herein may be submitted  
62 at the same election and on the same ballot

1 as the proposition (provided in Section 3)  
2 for the creation of the District and the  
3 levy of a tax. The bond proposition to  
4 appear on the ballot shall read:

5 "FOR the issuance of bonds"; and  
6 "AGAINST the issuance of bonds."  
7 . . .

8 [Sections 1075.007-1075.050 reserved for expansion]

9 SUBCHAPTER B. DISTRICT ADMINISTRATION

10 Revised Law

11 Sec. 1075.051. BOARD ELECTION; TERM. (a) The board  
12 consists of seven elected directors.

13 (b) Directors serve staggered two-year terms unless  
14 four-year terms are established under Section 285.081, Health and  
15 Safety Code.

16 (c) The election order must state the time, place, and  
17 purpose of the election. (Acts 59th Leg., R.S., Ch. 108, Sec. 4  
18 (part).)

19 Source Law

20 Sec. 4. . . . The terms of office of the first  
21 four (4) named directors shall expire on the first  
22 Tuesday in April 1967, and the terms of the last three  
23 (3) named directors shall expire on the first Tuesday  
24 in April 1966. A regular election for directors shall  
25 be held . . . in each succeeding year. [The regular  
26 election for directors shall be ordered by the Board  
27 and] such order shall state the time, place, and  
28 purpose of the election; and . . . .

29 Revisor's Note

30 (1) Section 4, Chapter 108, Acts of the 59th  
31 Legislature, Regular Session, 1965, prescribes the  
32 procedures for appointing the initial, temporary board  
33 of directors. The revised law omits the provision as  
34 executed but codifies the establishment of a board  
35 consisting of seven elected directors. Section 4 also  
36 establishes staggered two-year terms for the initial  
37 appointed directors that expire on the first Tuesday  
38 in April 1966 or 1967. The revised law codifies the  
39 provision specifying staggered terms but omits the  
40 provision relating to the date on which the initial  
41 terms expire as executed.

42 (2) Section 4, Chapter 108, Acts of the 59th

1 Legislature, Regular Session, 1965, provides that  
2 directors serve two-year terms. Section 285.081,  
3 Health and Safety Code, applicable to this hospital  
4 district, provides a mechanism by which the governing  
5 board of a hospital district, on its own motion, may  
6 order that the members are to be elected in  
7 even-numbered years to serve staggered four-year  
8 terms. The revised law is drafted accordingly and adds  
9 a reference to Section 285.081 for the convenience of  
10 the reader.

11 (3) Section 4, Chapter 108, Acts of the 59th  
12 Legislature, Regular Session, 1965, prescribes the  
13 procedure for the appointment of temporary directors  
14 and for electing the initial board of permanent  
15 directors. The revised law omits the provisions as  
16 executed. The omitted law reads:

17 Sec. 4. Upon the effective date of  
18 this Act, the following named persons shall  
19 be and constitute the temporary or  
20 provisional directors of said District: J.  
21 F. West, F. E. Upshaw, A. M. G. Swenson, W.  
22 T. Stovall, A. C. Humphrey, Sam Baize and  
23 Jack Mills; and each of said directors shall  
24 subscribe to the Constitutional Oath of  
25 Office within sixty (60) days of the  
26 effective date of this Act. Should any of  
27 the named directors refuse to act or for any  
28 reason fail to qualify as herein required,  
29 the remaining Board members herein  
30 appointed, who have qualified, shall fill  
31 such vacancy. However, if less than four  
32 (4) of the Board members appointed fail to  
33 qualify as herein required, the City  
34 Council of the City of Stamford, Texas,  
35 shall fill such vacancies. . . .

36 The directors named herein and their  
37 successors in office shall hold office as  
38 provisional or temporary directors until  
39 such time as the creation of the District  
40 has been approved at an election as herein  
41 provided. At such time as the creation of  
42 the District is so approved and the returns  
43 of the election officially canvassed, the  
44 persons acting as provisional or temporary  
45 directors shall become permanent directors  
46 whose terms shall expire as hereinabove  
47 provided. . . .

48 (4) Section 4, Chapter 108, Acts of the 59th  
49 Legislature, Regular Session, 1965, provides that

1 directors' elections are held on the first Tuesday in  
2 April each year. The revised law omits that provision  
3 as impliedly repealed by a later amendment to Section  
4 41.001, Election Code. Chapter 14, Acts of the 69th  
5 Legislature, 3rd Called Session, 1986, amended Section  
6 41.001, Election Code, to prescribe certain uniform  
7 election dates. Section 37 of that act required a  
8 political subdivision that held its general election  
9 of officers on a date other than a uniform election  
10 date to hold that election on a uniform election date  
11 in May or to choose a different uniform election date  
12 on which to hold the election. The omitted law reads:

13           Sec. 4. . . . [A regular election for  
14           directors shall be held] on the first  
15           Tuesday in April in each year beginning  
16           1966, and directors shall be elected at that  
17           time and . . . .

18           (5) Section 4, Chapter 108, Acts of the 59th  
19           Legislature, Regular Session, 1965, provides that the  
20           board shall order the election of directors and shall  
21           issue the order at least 15 days before the date of the  
22           election. The revised law omits the provision  
23           requiring the board to order the election because it  
24           duplicates Section 3.004, Election Code, applicable to  
25           the district under Section 1.002, Election Code.  
26           Section 3.004 requires the governing body of a  
27           political subdivision that has elective officers to  
28           order the general election for those officers. The  
29           revised law also omits the provision stating that the  
30           board shall issue the order at least 15 days before the  
31           election date as superseded by Section 3.005, Election  
32           Code, also applicable to the district under Section  
33           1.002, Election Code. Section 3.005, as amended by  
34           Chapter 1318, Acts of the 82nd Legislature, Regular  
35           Session, 2011, requires an election order issued by  
36           the authority of a political subdivision to be issued





1 property-owning taxpaying voter of the district. (Acts 59th Leg.,  
2 R.S., Ch. 108, Sec. 4 (part).)

3 Source Law

4 Sec. 4. . . . Any person who is a resident  
5 property-owning taxpaying voter of the District shall  
6 be eligible to hold office as director of the  
7 District. . . .

8 Revised Law

9 Sec. 1075.055. BOND; RECORD OF BOND AND OATH. (a) Each  
10 director shall execute a good and sufficient bond for \$1,000 that  
11 is:

12 (1) payable to the district; and

13 (2) conditioned on the faithful performance of the  
14 director's duties.

15 (b) Each director's bond and constitutional oath of office  
16 shall be deposited with the district's depository bank for  
17 safekeeping. (Acts 59th Leg., R.S., Ch. 108, Sec. 4 (part).)

18 Source Law

19 Sec. 4. . . . Each permanent director, and  
20 their successors in office, . . . shall execute a good  
21 and sufficient bond for One Thousand Dollars (\$1,000)  
22 payable to said District, conditioned upon the  
23 faithful performance of his duties, and such oaths and  
24 bonds shall be deposited with the depository bank of  
25 the District for safekeeping.

26 Revisor's Note

27 Section 4, Chapter 108, Acts of the 59th  
28 Legislature, Regular Session, 1965, requires each  
29 director to take the constitutional oath of office.  
30 The revised law omits that provision because Section  
31 1, Article XVI, Texas Constitution, requires an  
32 officer of this state to take the constitutional oath  
33 (or affirmation) before assuming office. The omitted  
34 law reads:

35 Sec. 4. . . . [Each . . . director]  
36 . . . shall qualify by executing the  
37 Constitutional Oath of Office and . . . .

38 Revised Law

39 Sec. 1075.056. BOARD VACANCY. If a vacancy occurs in the  
40 office of director, the remaining directors by majority vote shall

1 appoint a director for the unexpired term. (Acts 59th Leg., R.S.,  
2 Ch. 108, Sec. 4 (part).)

3 Source Law

4 Sec. 4. . . . All vacancies in office . . .  
5 shall be filled by a majority vote of the remaining  
6 directors and such appointees shall hold office for  
7 the unexpired term for which they were appointed.  
8 . . .

9 Revisor's Note

10 Section 4, Chapter 108, Acts of the 59th  
11 Legislature, Regular Session, 1965, provides a  
12 procedure for the appointment of a director to fill a  
13 vacancy other than for the original directors' failure  
14 to qualify. The revised law omits the provision as  
15 executed. The omitted law reads:

16 Sec. 4. . . . [All vacancies in  
17 office] (other than for the failure of four  
18 (4) or more of the original directors herein  
19 appointed to qualify) . . . .

20 Revised Law

21 Sec. 1075.057. OFFICERS. (a) The board shall elect from  
22 among its members a president, vice president, secretary, and other  
23 officers as in the judgment of the board are necessary.

24 (b) The president is the chief executive officer of the  
25 district and has the same right to vote as any other director.

26 (c) If the president is absent or fails and declines to act,  
27 the vice president shall perform the president's duties and  
28 exercise the president's powers under this chapter. (Acts 59th  
29 Leg., R.S., Ch. 108, Sec. 4 (part).)

30 Source Law

31 Sec. 4. . . . The Board of Directors shall elect  
32 from its number a president, vice president,  
33 secretary, and such other officers as in the judgment  
34 of the Board are necessary. The president shall be the  
35 chief executive officer of the District and shall have  
36 the same right to vote as any other director. The vice  
37 president shall perform all duties and exercise all  
38 powers conferred by this Act upon the president when  
39 the president is absent or fails and declines to act.  
40 . . .

41 Revised Law

42 Sec. 1075.058. COMPENSATION; EXPENSES. A director is not

1 entitled to compensation but is entitled to receive actual expenses  
2 incurred in attending to district business on approval of the  
3 expenses by the remainder of the board. (Acts 59th Leg., R.S., Ch.  
4 108, Sec. 4 (part).)

5 Source Law

6 Sec. 4. . . . No director shall be entitled to  
7 compensation, but shall be entitled to receive his  
8 actual expenses incurred in attending to the  
9 District's business, provided such expenses are  
10 approved by the remainder of the Board. . . .

11 Revised Law

12 Sec. 1075.059. DISTRICT ADMINISTRATOR; ASSISTANT  
13 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
14 district administrator.

15 (b) The board may appoint an assistant administrator.

16 (c) The district administrator and assistant administrator  
17 serve at the will of the board and shall receive the compensation  
18 determined by the board.

19 (d) On assuming the duties of district administrator, the  
20 administrator shall execute a bond payable to the district in an  
21 amount set by the board of not less than \$10,000 that:

22 (1) is conditioned on the administrator performing the  
23 administrator's duties; and

24 (2) contains any other condition the board requires.

25 (Acts 59th Leg., R.S., Ch. 108, Sec. 5 (part).)

26 Source Law

27 Sec. 5. . . . The Board of Directors shall  
28 appoint a qualified person to be known as the  
29 administrator or manager of the Hospital District and  
30 may in its discretion appoint an assistant to the  
31 administrator or manager. Such administrator or  
32 manager, and assistant administrator or assistant  
33 manager, if any, shall serve at the will of the Board  
34 and shall receive such compensation as may be fixed by  
35 the Board. The administrator or manager shall, upon  
36 assuming his duties, execute a bond payable to the  
37 Hospital District in an amount to be set by the Board  
38 of Directors, in no event less than Ten Thousand  
39 Dollars (\$10,000), conditioned that he shall perform  
40 the duties required of him and containing such other  
41 conditions as the Board may require. . . .

42 Revisor's Note

43 Section 5, Chapter 108, Acts of the 59th

1 Legislature, Regular Session, 1965, provides that the  
2 board shall appoint a person as the "administrator or  
3 manager" of the district and may appoint an "assistant  
4 to the administrator or manager." Throughout this  
5 chapter, the revised law omits "manager" because, in  
6 context, "manager" is included in the meaning of  
7 "administrator."

8 Revised Law

9 Sec. 1075.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

10 Subject to any limitations prescribed by the board, the district  
11 administrator shall:

12 (1) supervise the work and activities of the district;  
13 and

14 (2) direct the affairs of the district. (Acts 59th  
15 Leg., R.S., Ch. 108, Sec. 5 (part).)

16 Source Law

17 Sec. 5. . . . The administrator or manager  
18 shall supervise all the work and activities of the  
19 District and shall have general direction of the  
20 affairs of the District subject to such limitations as  
21 may be prescribed by the Board. . . .

22 Revised Law

23 Sec. 1075.061. EMPLOYEES. The board may employ any  
24 doctors, technicians, nurses, and other employees as considered  
25 necessary for the efficient operation of the district or may  
26 provide that the district administrator has the authority to employ  
27 those persons. (Acts 59th Leg., R.S., Ch. 108, Sec. 5 (part).)

28 Source Law

29 Sec. 5. . . . The Board of Directors shall have  
30 the authority to employ such doctors, technicians,  
31 nurses and other employees of every kind and character  
32 as may be deemed necessary for the efficient operation  
33 of the District or may provide that the administrator  
34 or manager shall have the authority to employ such  
35 persons. . . .

36 Revised Law

37 Sec. 1075.062. RETIREMENT PROGRAM. The board may enter  
38 into any contract or agreement with this state or the federal  
39 government as required to establish or continue a retirement

1 program for the benefit of the district's employees. (Acts 59th  
2 Leg., R.S., Ch. 108, Sec. 5 (part).)

3 Source Law

4 Sec. 5. . . . The Board of Directors is also  
5 authorized to enter into such contracts or agreements  
6 with the State of Texas or the federal government as  
7 may be required to establish or continue a retirement  
8 program for the benefit of the District's employees.

9 [Sections 1075.063-1075.100 reserved for expansion]

10 SUBCHAPTER C. POWERS AND DUTIES

11 Revised Law

12 Sec. 1075.101. DISTRICT RESPONSIBILITY. The district has  
13 full responsibility for:

14 (1) operating all hospital facilities for providing  
15 medical and hospital care of indigent persons in the district; and

16 (2) providing medical and hospital care for the  
17 district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 108,  
18 Secs. 2 (part), 17 (part).)

19 Source Law

20 Sec. 2. . . . Such District shall assume full  
21 responsibility for providing medical and hospital care  
22 for its needy inhabitants. . . .

23 Sec. 17. . . . the said Stamford Hospital  
24 District shall assume full responsibility for the  
25 operation of all hospital facilities for the  
26 furnishing of medical and hospital care of indigent  
27 persons within its boundaries.

28 Revisor's Note

29 Sections 2 and 17, Chapter 108, Acts of the 59th  
30 Legislature, Regular Session, 1965, provide that the  
31 district "shall assume" full responsibility for  
32 providing medical and hospital care for the district's  
33 needy inhabitants and for the operation of hospital  
34 facilities for indigent persons. The revised law  
35 substitutes "has" for the quoted language because the  
36 duty to assume the responsibility is executed.

37 Revised Law

38 Sec. 1075.102. RESTRICTION ON POLITICAL SUBDIVISION  
39 TAXATION AND DEBT. A political subdivision located within the

1 district may not impose a tax or issue bonds or other obligations  
2 for hospital purposes or for medical treatment of indigent persons  
3 in the district. (Acts 59th Leg., R.S., Ch. 108, Sec. 17 (part).)

4 Source Law

5 Sec. 17. After creation of Stamford Hospital  
6 District, as herein provided, no other municipality or  
7 political subdivision therein shall thereafter issue  
8 bonds or other evidences of indebtedness or levy taxes  
9 for hospital purposes or for medical treatment of  
10 indigent persons within its boundaries, and . . . .

11 Revisor's Note

12 (1) Section 17, Chapter 108, Acts of the 59th  
13 Legislature, Regular Session, 1965, provides that  
14 "[a]fter creation of Stamford Hospital District,"  
15 certain political subdivisions may not issue certain  
16 bonds or levy certain taxes. The revised law omits the  
17 quoted language as executed. In addition, throughout  
18 this chapter, the revised law substitutes "impose" for  
19 "levy" because, in the context of taxation, the terms  
20 are synonymous, and "impose" is more commonly used.

21 (2) Section 17, Chapter 108, Acts of the 59th  
22 Legislature, Regular Session, 1965, refers to a  
23 "municipality or political subdivision." Throughout  
24 this chapter, the revised law omits the reference to  
25 "municipality" when used in conjunction with  
26 "political subdivision" because "municipality" is  
27 included in the meaning of "political subdivision."

28 (3) Section 17, Chapter 108, Acts of the 59th  
29 Legislature, Regular Session, 1965, provides that  
30 certain political subdivisions may not issue bonds or  
31 other "evidences of indebtedness" for hospital  
32 purposes or for medical treatment for indigent  
33 persons. The revised law substitutes "obligations"  
34 for "evidences of indebtedness" because, in context,  
35 the terms are synonymous, and "obligations" is more  
36 commonly used.

1 Revised Law

2 Sec. 1075.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
3 The board shall manage, control, and administer the district's  
4 hospitals and hospital system. (Acts 59th Leg., R.S., Ch. 108, Sec.  
5 5 (part).)

6 Source Law

7 Sec. 5. The Board of Directors shall manage,  
8 control and administer the hospitals and hospital  
9 system of the District. . . .

10 Revised Law

11 Sec. 1075.104. HOSPITAL SYSTEM. The district shall provide  
12 for:

13 (1) the establishment of a hospital or hospital system  
14 by:

15 (A) purchasing, constructing, acquiring,  
16 repairing, or renovating buildings and improvements; and

17 (B) equipping the buildings and improvements;  
18 and

19 (2) the administration of the hospital or hospital  
20 system for hospital purposes. (Acts 59th Leg., R.S., Ch. 108, Sec. 2  
21 (part).)

22 Source Law

23 Sec. 2. The District herein authorized to be  
24 created shall provide for the establishment of  
25 hospital or hospital system within its boundaries by  
26 the purchase, construction, acquisition, repair or  
27 renovation of buildings and improvements and the  
28 equipping of same and the administration thereof for  
29 hospital purposes. . . .

30 Revised Law

31 Sec. 1075.105. RULES. The board may adopt rules for the  
32 operation of the district and as required to administer this  
33 chapter. (Acts 59th Leg., R.S., Ch. 108, Secs. 5 (part), 9 (part).)

34 Source Law

35 Sec. 5. . . . The District through its Board of  
36 Directors shall have the power and authority . . . to  
37 promulgate rules and regulations for the operation of  
38 the District. . . .

39 Sec. 9. The Board of Directors of such District  
40 shall have the power . . . to make such rules and  
41 regulations as may be required to carry out the

1 provisions of this Act.

2 Revisor's Note

3 Sections 5 and 9, Chapter 108, Acts of the 59th  
4 Legislature, Regular Session, 1965, provide that the  
5 board may "promulgate rules and regulations" for the  
6 operation of the district and "make such rules and  
7 regulations" to carry out the act. The revised law  
8 substitutes "adopt" for "promulgate" and "make"  
9 because the terms are synonymous, and the former is  
10 more commonly used. The revised law also omits the  
11 reference to "regulations" because under Section  
12 311.005(5), Government Code (Code Construction Act), a  
13 rule is defined to include a regulation.

14 Revised Law

15 Sec. 1075.106. PURCHASING AND ACCOUNTING. The board may  
16 prescribe:

17 (1) the method and manner of making purchases and  
18 expenditures by and for the district; and

19 (2) all accounting and control procedures. (Acts 59th  
20 Leg., R.S., Ch. 108, Sec. 9 (part).)

21 Source Law

22 Sec. 9. [The Board of Directors of such District  
23 shall have the power] to prescribe the method and  
24 manner of making purchases and expenditures, by and  
25 for such Hospital District, and also shall be  
26 authorized to prescribe all accounting and control  
27 procedures and . . . .

28 Revised Law

29 Sec. 1075.107. RATES AND CHARGES. The board shall  
30 prescribe the rates and charges for:

31 (1) services;

32 (2) supplies; and

33 (3) the use of hospital facilities. (Acts 59th Leg.,  
34 R.S., Ch. 108, Sec. 14 (part).)

35 Source Law

36 Sec. 14. The Board of Directors shall prescribe  
37 rates and charges for services, supplies, and for the  
38 use of its hospital facilities. . . .

1 Revised Law

2 Sec. 1075.108. EMINENT DOMAIN. (a) The district may  
3 exercise the power of eminent domain to acquire a fee simple or  
4 other interest in any type of property located in district  
5 territory if the interest is necessary or convenient to a power,  
6 right, or privilege conferred by this chapter.

7 (b) The district must exercise the power of eminent domain  
8 in the manner provided by Chapter 21, Property Code. (Acts 59th  
9 Leg., R.S., Ch. 108, Sec. 12.)

10 Source Law

11 Sec. 12. The District created hereunder shall  
12 have the right and power of eminent domain for the  
13 purpose of acquiring by condemnation any and all  
14 property of any kind and character in fee simple, or  
15 any lesser interest therein, within the boundaries of  
16 the District, necessary or convenient to the powers,  
17 rights, and privileges conferred by this Act, in the  
18 manner provided by General Law with respect to  
19 condemnation.

20 Revisor's Note

21 (1) Section 12, Chapter 108, Acts of the 59th  
22 Legislature, Regular Session, 1965, provides that the  
23 district has the "right and power of eminent domain for  
24 the purpose of acquiring [property] by condemnation."  
25 The revised law substitutes for the quoted language  
26 "may exercise the power of eminent domain to acquire  
27 [property]" because the phrases have the same meaning  
28 and the latter phrase is consistent with modern usage  
29 in laws relating to eminent domain.

30 (2) Section 12, Chapter 108, Acts of the 59th  
31 Legislature, Regular Session, 1965, provides that the  
32 district must exercise the power of eminent domain in  
33 the manner provided by "General Law with respect to  
34 condemnation." The revised law substitutes for the  
35 quoted language a reference to Chapter 21, Property  
36 Code, because that is the general law governing  
37 eminent domain for governmental entities.

1 Revised Law

2 Sec. 1075.109. 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 59th Leg., R.S., Ch. 108,  
8 Sec. 15.)

9 Source Law

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

18 Revisor's Note

19 Section 15, Chapter 108, Acts of the 59th  
20 Legislature, Regular Session, 1965, refers to  
21 "donations" and "gifts." The revised law omits  
22 "donations" because "donations" is included in the  
23 meaning of "gifts."

24 Revised Law

25 Sec. 1075.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
26 CARE AND TREATMENT. The board may contract with:

27 (1) any county or municipality located outside the  
28 district for the care and treatment of a sick or injured person of  
29 that county or municipality; and

30 (2) this state or a federal agency for the treatment of  
31 a sick or injured person for whom this state or the federal  
32 government is responsible. (Acts 59th Leg., R.S., Ch. 108, Sec. 5  
33 (part).)

34 Source Law

35 Sec. 5. . . . Such Board shall be authorized to  
36 contract with any county or incorporated municipality  
37 located outside the District for the care and  
38 treatment of the sick, diseased or injured persons of  
39 any such county or municipality and shall have the  
40 authority to contract with the State of Texas and  
41 agencies of the federal government, for treatment of

1 sick, diseased or injured persons for whom the State of  
2 Texas or the federal government are responsible. . . .

3 Revisor's Note

4 (1) Section 5, Chapter 108, Acts of the 59th  
5 Legislature, Regular Session, 1965, refers to an  
6 "incorporated municipality." The revised law omits  
7 "incorporated" because under the Local Government Code  
8 all municipalities must be incorporated.

9 (2) Section 5, Chapter 108, Acts of the 59th  
10 Legislature, Regular Session, 1965, refers to the  
11 treatment of a "sick, diseased or injured" person. The  
12 revised law omits "diseased" because "diseased" is  
13 included in the meaning of "sick."

14 Revised Law

15 Sec. 1075.111. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
16 When a patient who resides in the district is admitted to a district  
17 facility, the district administrator shall have an inquiry made  
18 into the circumstances of:

19 (1) the patient; and

20 (2) the patient's relatives legally liable for the  
21 patient's support.

22 (b) If the district administrator determines that the  
23 patient or those relatives cannot pay for all or part of the  
24 patient's care and treatment in the hospital, the amount that  
25 cannot be paid becomes a charge against the district.

26 (c) If the district administrator determines that the  
27 patient or those relatives can pay for all or part of the patient's  
28 care and treatment, the patient or those relatives shall be ordered  
29 to pay the district a specified amount each week for the patient's  
30 support. The amount ordered must be proportionate to their  
31 financial ability and may not exceed the actual per capita cost of  
32 maintenance.

33 (d) The district administrator may collect the amount from  
34 the patient's estate, or from those relatives legally liable for  
35 the patient's support, in the manner provided by law for the

1 collection of expenses of the last illness of a deceased person.

2 (e) If there is a dispute as to the ability to pay, or doubt  
3 in the mind of the district administrator, the board shall hold a  
4 hearing and, after calling witnesses, shall:

5 (1) resolve the dispute or doubt; and

6 (2) issue any appropriate orders. (Acts 59th Leg.,  
7 R.S., Ch. 108, Sec. 14 (part).)

8 Source Law

9 Sec. 14. . . . Whenever an indigent or needy  
10 patient residing within the District has been admitted  
11 to the facilities thereof, the administrator or  
12 manager shall cause inquiry to be made as to his  
13 circumstances and those of the relatives of such  
14 patient legally liable for his support. If he finds  
15 that such patient or said relatives are able to pay for  
16 his care and treatment, in whole or in part, an order  
17 shall be made directing such patient, or said  
18 relatives, to pay to the Hospital District for the  
19 support of such patient a specified sum per week in  
20 proportion to their financial ability, but such sum  
21 shall not exceed the actual per capita cost of  
22 maintenance. The administrator or manager shall have  
23 power and authority to collect such sums from the  
24 estate of the patient or his relatives legally liable  
25 for his support in the manner provided by law for the  
26 collection of expenses in the last illness of a  
27 deceased person. If the administrator or manager  
28 finds that such patient or said relatives are not able  
29 to pay, either in whole or in part, for his care and  
30 treatment in such hospital, same shall become a charge  
31 upon the Hospital District as to the amount of the  
32 inability to pay. Should there be any dispute as to  
33 the ability to pay or doubt in the mind of the  
34 administrator or manager, the Board of Directors shall  
35 hear and determine same, after calling witnesses, and  
36 shall make such order or orders as may be proper.

37 Revised Law

38 Sec. 1075.112. AUTHORITY TO SUE AND BE SUED. The district,  
39 through the board, may sue and be sued. (Acts 59th Leg., R.S., Ch.  
40 108, Sec. 5 (part).)

41 Source Law

42 Sec. 5. . . . [The District through its Board  
43 of Directors shall have the power and authority] to sue  
44 and be sued and . . . .

45 [Sections 1075.113-1075.150 reserved for expansion]

46 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

47 Revised Law

48 Sec. 1075.151. BUDGET. (a) The district administrator  
49 shall prepare for approval by the board an annual budget that

1 corresponds to the district's fiscal year.

2 (b) Not later than August 31 of each year, the board shall  
3 publish notice of a public hearing on the proposed budget. The  
4 notice must be published in a newspaper of general circulation in  
5 the district one time at least 10 days before the date of the  
6 hearing. (Acts 59th Leg., R.S., Ch. 108, Secs. 6 (part), 16.)

7 Source Law

8 Sec. 6. . . . In addition the administrator or  
9 manager shall prepare an annual budget for approval by  
10 the Board of Directors of said District. . . .

11 Sec. 16. The Board of Directors of said Hospital  
12 District shall cause to be prepared an annual budget  
13 based upon the fiscal year of the Hospital District in  
14 accordance with the provisions of Section 5 hereof and  
15 prior to September 1 of each year shall give notice of  
16 the public hearing on the proposed budget. Such notice  
17 shall be published in a newspaper of general  
18 circulation in the District one time at least ten (10)  
19 days prior to the date set for the hearing.

20 Revisor's Note

21 Section 16, Chapter 108, Acts of the 59th  
22 Legislature, Regular Session, 1965, requires an annual  
23 budget to be prepared "in accordance with the  
24 provisions of Section 5 hereof." The revised law omits  
25 the quoted language because the provisions are  
26 applicable by their own terms.

27 Revised Law

28 Sec. 1075.152. FISCAL YEAR. The district shall operate on a  
29 fiscal year that begins on October 1 and ends on September 30.  
30 (Acts 59th Leg., R.S., Ch. 108, Sec. 6 (part).)

31 Source Law

32 Sec. 6. The District shall be operated on a  
33 fiscal year commencing on October 1 of each year and  
34 ending on September 30 of the succeeding year and  
35 . . . .

36 Revised Law

37 Sec. 1075.153. AUDIT. (a) The district shall have an audit  
38 made of the district's financial condition.

39 (b) The audit shall be open to inspection at all times at the  
40 district's principal office. (Acts 59th Leg., R.S., Ch. 108, Sec. 6  
41 (part).)



1 such funds shall, as derived and collected, be  
2 immediately deposited with such depository bank or  
3 banks except that sufficient funds shall be remitted  
4 to the bank or banks for the payment of principal of  
5 and interest on the outstanding bonds of the District  
6 in time that such money may be received by said bank or  
7 banks of payment on or prior to the date of maturity of  
8 such principal and interest so to be paid. To the  
9 extent that funds in the depository bank or banks are  
10 not insured by the Federal Deposit Insurance  
11 Corporation, they shall be secured in the manner  
12 provided by law for security of county funds.  
13 Membership on the Board of Directors of an officer or  
14 director of a bank shall not disqualify such bank from  
15 being designated as depository.

16 Revisor's Note

17 Section 10, Chapter 108, Acts of the 59th  
18 Legislature, Regular Session, 1965, refers to money  
19 "derived and collected." The revised law substitutes  
20 "on receipt" for the quoted language because the terms  
21 are synonymous, and "on receipt" is more commonly  
22 used.

23 Revised Law

24 Sec. 1075.156. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
25 The board may borrow money from a federally insured lending  
26 institution or make other financial arrangements for district  
27 operating expenses or other authorized obligations.

28 (b) The board may borrow money in an amount and subject to a  
29 rate of interest and other terms the board finds appropriate.

30 (c) To secure a loan, the board may pledge:

31 (1) district revenue that is not pledged to pay the  
32 district's bonded indebtedness; or

33 (2) property acquired with borrowed money that is not  
34 pledged to pay the district's bonded indebtedness.

35 (d) A loan for which district revenue is pledged must mature  
36 not later than the fifth anniversary of the date the loan is made.

37 (e) The district must provide for the payment of all  
38 district debts and obligations before dissolution. (Acts 59th  
39 Leg., R.S., Ch. 108, Sec. 17a, as added Acts 74th Leg., R.S., Ch.  
40 52, Sec. 1, and amended Acts 76th Leg., R.S., Ch. 1566, Sec. 1.)

41 Source Law

42 Sec. 17a. (a) The Board of Directors may, on

1 behalf of the Hospital District, borrow money from a  
2 federally insured lending institution and make other  
3 financial arrangements to pay the operating expenses  
4 and to meet the other lawfully authorized obligations  
5 of the District. The Board of Directors may borrow  
6 money in the amount it considers advisable subject to a  
7 rate of interest and other terms and conditions it  
8 considers advisable. To secure a loan, the Board of  
9 Directors may pledge revenues of the District or  
10 property acquired with the borrowed money that are not  
11 pledged to pay a bonded indebtedness of the District.  
12 If revenues of the District are pledged to pay the  
13 loan, the loan shall mature not later than the fifth  
14 anniversary of the date on which the loan is made.

15 (b) The District must provide for the payment of  
16 all debts and obligations of the District prior to the  
17 dissolution of the District.

18 Revisor's Note

19 (1) Section 17a(a), Chapter 108, Acts of the  
20 59th Legislature, Regular Session, 1965, refers to  
21 "lawfully authorized obligations." The revised law  
22 omits "lawfully" because a "lawful" obligation is  
23 included in the meaning of an "authorized" obligation.

24 (2) Section 17a(a), Chapter 108, Acts of the  
25 59th Legislature, Regular Session, 1965, refers to  
26 "terms and conditions." The revised law omits  
27 "conditions" because, in this context, "conditions" is  
28 included in the meaning of "terms."

29 [Sections 1075.157-1075.200 reserved for expansion]

30 SUBCHAPTER E. BONDS

31 Revised Law

32 Sec. 1075.201. GENERAL OBLIGATION BONDS. (a) The board may  
33 issue and sell general obligation bonds in the name and on the faith  
34 and credit of the district for any purpose related to the purchase,  
35 construction, acquisition, repair, or renovation of buildings and  
36 improvements, and equipping buildings and improvements for a  
37 hospital and the hospital system, as determined by the board.

38 (b) The board shall issue the bonds in compliance with the  
39 applicable provisions of Subtitles A and C, Title 9, Government  
40 Code. (Acts 59th Leg., R.S., Ch. 108, Sec. 7 (part).)

41 Source Law

42 Sec. 7. The Board of Directors of the Hospital  
43 District shall have the power and authority to issue  
44 and sell its bonds in the name and upon the faith and

1 credit of such Hospital District for the purchase,  
2 construction, acquisition, repair or renovation of  
3 buildings and improvements and equipping the same for  
4 hospitals and the hospital system, as determined by  
5 the Board, and for any or all of such purposes. . . .  
6 Such bonds shall be issued under the provisions of  
7 Chapter 1, Title 22 of the Revised Civil Statutes of  
8 Texas, as amended, but . . . .

9 Revisor's Note

10 (1) Section 7, Chapter 108, Acts of the 59th  
11 Legislature, Regular Session, 1965, provides that the  
12 board may issue and sell bonds in the name and on the  
13 faith and credit of the district. Because the type of  
14 bonds described by Section 7 are known as "general  
15 obligation bonds," the revised law is drafted  
16 accordingly.

17 (2) Section 7, Chapter 108, Acts of the 59th  
18 Legislature, Regular Session, 1965, provides that  
19 bonds issued under that section "shall be issued under  
20 the provisions of Chapter 1, Title 22 of the Revised  
21 Civil Statutes of Texas, as amended." Chapter 1, Title  
22 22, Revised Statutes, was composed of V.A.C.S.  
23 Articles 701-717w. The relevant parts of those  
24 provisions were revised in 1999 as Subtitles A and C of  
25 Title 9, Government Code, and the revised law is  
26 drafted accordingly. In addition, throughout this  
27 chapter, the revised law omits references to "as  
28 amended" because under Section 311.027, Government  
29 Code (Code Construction Act), a reference to a statute  
30 applies to all reenactments, revisions, or amendments  
31 of that statute unless expressly provided otherwise.

32 Revised Law

33 Sec. 1075.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
34 the time general obligation bonds are issued by the district, the  
35 board shall impose an ad valorem tax at a rate sufficient to create  
36 an interest and sinking fund and to pay the principal of and  
37 interest on the bonds as the bonds mature.

38 (b) The tax required by this section together with any other

1 ad valorem tax the district imposes may not in any year exceed 75  
2 cents on each \$100 valuation of taxable property in the district.  
3 (Acts 59th Leg., R.S., Ch. 108, Sec. 7 (part).)

4 Source Law

5 Sec. 7. . . . At the time of the issuance of any  
6 such bonds a tax shall be levied by the Board  
7 sufficient to create an interest and sinking fund and  
8 to pay the interest on and principal of said bonds as  
9 same mature, providing such tax together with any  
10 other taxes levied for said District shall not exceed  
11 seventy-five cents (75¢) on each one hundred dollar  
12 valuation of taxable property in any one year. . . .

13 Revisor's Note

14 Section 7, Chapter 108, Acts of the 59th  
15 Legislature, Regular Session, 1965, requires the  
16 district to levy a tax to pay the principal of and  
17 interest on bonds. The revised law specifies that the  
18 tax is an "ad valorem" tax because it is clear from the  
19 source law that the tax is a property tax. Section  
20 1(b), Article VIII, Texas Constitution, requires all  
21 property that is taxed to be taxed in proportion to its  
22 value, and accordingly "ad valorem" tax is the term  
23 most commonly used in Texas law to refer to a tax on  
24 property.

25 Revised Law

26 Sec. 1075.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
27 district may issue general obligation bonds only if the bonds are  
28 authorized by a majority of the district voters voting at an  
29 election held for that purpose.

30 (b) The board shall call the election. The election must be  
31 held in accordance with Chapter 1251, Government Code.

32 (c) The bond election order must specify:

- 33 (1) the date of the election;
- 34 (2) the location of the polling places;
- 35 (3) the presiding election officers;
- 36 (4) the amount of the bonds to be authorized;
- 37 (5) the maximum maturity of the bonds; and
- 38 (6) the maximum interest rate of the bonds. (Acts 59th

1 Leg., R.S., Ch. 108, Sec. 7 (part).)

2 Source Law

3 Sec. 7. . . . No bonds shall be issued by such  
4 Hospital District . . . until authorized by a majority  
5 of the qualified property taxpaying electors of the  
6 District voting at an election called for such  
7 purpose. Such election shall be called by the Board of  
8 Directors and held in accordance with the provisions  
9 of Chapter 1, Title 22 of the Revised Civil Statutes of  
10 Texas, as amended, and shall be conducted in  
11 accordance with the General Laws of Texas pertaining  
12 to elections. . . . The Election Order shall specify  
13 the date of the election, the amount of bonds to be  
14 authorized, the maximum maturity thereof, the maximum  
15 rate of interest they are to bear, the place or places  
16 where the election shall be held and the presiding  
17 officers thereof. . . .

18 Revisor's Note

19 (1) Section 7, Chapter 108, Acts of the 59th  
20 Legislature, Regular Session, 1965, refers to a  
21 majority vote of the "qualified . . . electors of the  
22 District." The revised law omits "qualified" in this  
23 context because Chapter 11, Election Code, governs  
24 eligibility to vote in an election in this state and  
25 allows only "qualified" voters who are residents of  
26 the territory covered by the election to vote in an  
27 election. The revised law substitutes "voter" for  
28 "elector" because "voter" is the term used in the  
29 Election Code.

30 (2) Section 7, Chapter 108, Acts of the 59th  
31 Legislature, Regular Session, 1965, refers to  
32 "property taxpaying" electors. The revised law omits  
33 the quoted language because in Hill v. Stone, 421 U.S.  
34 289 (1975), the United States Supreme Court determined  
35 that property ownership as a qualification for voting  
36 is an unconstitutional denial of equal protection.

37 (3) Section 7, Chapter 108, Acts of the 59th  
38 Legislature, Regular Session, 1965, provides that an  
39 election must be "held in accordance with the  
40 provisions of Chapter 1, Title 22 of the Revised Civil  
41 Statutes of Texas, as amended, and shall be conducted

1 in accordance with the General Laws of Texas  
2 pertaining to elections." The election provisions of  
3 Chapter 1, Title 22, Revised Statutes, are codified as  
4 Chapter 1251, Government Code, and the revised law is  
5 drafted accordingly. The revised law omits the  
6 reference to the "General Laws of Texas pertaining to  
7 elections" because Section 1.002, Election Code,  
8 provides that the Election Code applies to all  
9 elections held in this state.

10 (4) Section 7, Chapter 108, Acts of the 59th  
11 Legislature, Regular Session, 1965, requires the  
12 district to make provisions for defraying the costs of  
13 elections. The revised law omits that provision  
14 because it duplicates Section 1.014, Election Code,  
15 applicable to the district under Section 1.002 of that  
16 code. The omitted law reads:

17 Sec. 7. . . . The District shall  
18 make provisions for defraying the costs of  
19 all elections called and held under the  
20 provisions of this Act. . . .

21 Revised Law

22 Sec. 1075.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
23 board president shall execute the general obligation bonds in the  
24 district's name, and the board secretary shall attest the bonds as  
25 provided by Chapter 618, Government Code. (Acts 59th Leg., R.S.,  
26 Ch. 108, Sec. 7 (part).)

27 Source Law

28 Sec. 7. . . . [Such bonds] . . . shall be  
29 executed in the name of the Hospital District and in  
30 its behalf by the president of the Board and attested  
31 by the secretary, as provided by Article 717j-1,  
32 Vernon's Annotated Texas Civil Statutes, and . . . .

33 Revisor's Note

34 Section 7, Chapter 108, Acts of the 59th  
35 Legislature, Regular Session, 1965, refers to Article  
36 717j-1, Vernon's Annotated Texas Civil Statutes. That  
37 statute was codified in 1999 as Chapter 618,  
38 Government Code, and the revised law is drafted

1 accordingly.

2 Revised Law

3 Sec. 1075.205. REFUNDING BONDS. (a) District refunding  
4 bonds may, without an election, be issued to refund any bonds or  
5 other refundable indebtedness issued by the district.

6 (b) A refunding bond may be:

7 (1) sold, with the proceeds of the refunding bond  
8 applied to the payment of the outstanding bonds or other refundable  
9 indebtedness; or

10 (2) exchanged wholly or partly for not less than a  
11 similar principal amount of the outstanding bonds or other  
12 refundable indebtedness. (Acts 59th Leg., R.S., Ch. 108, Sec. 7  
13 (part).)

14 Source Law

15 Sec. 7. . . . [No bonds shall be issued by such  
16 Hospital District] except refunding bonds, [until  
17 authorized by a majority of the qualified property  
18 taxpaying electors of the District] . . . .

19 The bonds of the District may be issued for the  
20 purpose of refunding and paying off any bond or other  
21 refundable indebtedness issued by the District. Such  
22 refunding bonds may be sold and the proceeds thereof  
23 applied to the payment of any outstanding bonds or  
24 other refundable indebtedness, or may be exchanged in  
25 whole or in part for not less than a like principal  
26 amount of such outstanding bonds or refundable  
27 indebtedness; provided that . . . .

28 Revisor's Note

29 (1) Section 7, Chapter 108, Acts of the 59th  
30 Legislature, Regular Session, 1965, limits the  
31 interest rate for refunding bonds issued by the  
32 district. The revised law omits that provision as  
33 impliedly repealed by Section 2(a), Chapter 3, Acts of  
34 the 61st Legislature, Regular Session, 1969 (Article  
35 717k-2, Vernon's Texas Civil Statutes), which was  
36 revised in 1999 as Section 1204.006(a), Government  
37 Code. Section 1204.006(a) permits a public agency,  
38 including a hospital district, to issue bonds at a net  
39 effective interest rate not to exceed 15 percent and  
40 applies to district bonds by application of Section





1 for certain entities. The revised law omits that  
2 provision as unnecessary. As to several of the  
3 entities listed, Section 11 has been superseded and  
4 impliedly repealed. Investments in securities by  
5 banks are regulated by Section 34.101, Finance Code  
6 (enacted in 1995 as Section 5.101, Texas Banking Act  
7 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
8 Investments in securities by savings banks are  
9 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 in securities by building and  
17 loan associations (now called savings and loan  
18 associations) are regulated by Sections 63.002 and  
19 64.001, Finance Code. As to the remaining entities  
20 listed, Section 11 is superseded by Section 1201.041,  
21 Government Code (enacted as Section 9, Bond Procedures  
22 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
23 Statutes)). Section 1201.041, Government Code,  
24 applies to district bonds by application of Section  
25 1201.002, Government Code. The revised law omits the  
26 reference to public funds of this state because it has  
27 been superseded by Section 404.024, Government Code  
28 (enacted in 1985 as Section 2.014, Treasury Act  
29 (Article 4393-1, Vernon's Texas Civil Statutes), and  
30 last amended in 2007), which governs the investment of  
31 state funds. Section 404.024(b)(10), Government Code,  
32 authorizes the investment of state funds in  
33 obligations of political subdivisions, including  
34 hospital districts. The revised law omits the

1 reference to public funds of political subdivisions or  
2 public agencies of the state because it has been  
3 superseded by Chapter 2256, Government Code (enacted  
4 in 1987 as the Public Funds Investment Act of 1987  
5 (Article 842a-2, Vernon's Texas Civil Statutes)),  
6 which governs the investment of local funds. The  
7 omitted law reads:

8           Sec. 11. All bonds of the District  
9 shall be and are hereby declared to be legal  
10 and authorized investments of banks,  
11 savings banks, trust companies, building  
12 and loan associations, savings and loan  
13 associations, insurance companies,  
14 fiduciaries, trustees, and sinking funds of  
15 cities, towns, villages, counties, school  
16 districts, or other political subdivisions  
17 of the State of Texas, and for all public  
18 funds of the State of Texas or its agencies,  
19 including the State Permanent School Fund.  
20 . . .

21           (3) Section 11, Chapter 108, Acts of the 59th  
22 Legislature, Regular Session, 1965, provides that  
23 district bonds may secure deposits of public funds of  
24 this state or political subdivisions of this state.  
25 The revised law omits the provision as impliedly  
26 repealed by Section 404.0221, Government Code (enacted  
27 in 1995), which lists eligible collateral for deposits  
28 of state funds by the comptroller, and by Chapter 2257,  
29 Government Code (enacted in 1989 as Article 2529d,  
30 Vernon's Texas Civil Statutes), which governs eligible  
31 collateral for deposits of funds of other public  
32 agencies, including political subdivisions, and  
33 permits those deposits to be secured by obligations  
34 issued by hospital districts. The omitted law reads:

35           Sec. 11. . . . Such bonds shall be  
36 eligible to secure deposit of public funds  
37 of the State of Texas and public funds of  
38 cities, towns, villages, counties, school  
39 districts or other political subdivisions  
40 or corporations of the State of Texas and  
41 such bonds shall be lawful and sufficient  
42 security for said deposits to the extent of  
43 their value when accompanied by all  
44 unmatured coupons appurtenant thereto.

45           [Sections 1075.207-1075.250 reserved for expansion]

1 SUBCHAPTER F. TAXES

2 Revised Law

3 Sec. 1075.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
4 may impose a tax on all taxable property in the district subject to  
5 district taxation.

6 (b) The tax may be used to meet the requirements of district  
7 bonds and for the district's maintenance and operating expenses.  
8 (Acts 59th Leg., R.S., Ch. 108, Sec. 3a (part).)

9 Source Law

10 Sec. 3a. . . . [Stamford Hospital District]  
11 . . . shall all taxable property situated within the  
12 expanded boundaries of the District be subject to the  
13 levy of annual taxes . . . for the purpose of meeting  
14 the requirements of the District's bonds, and its  
15 maintenance and operating expenses. . . .

16 Revised Law

17 Sec. 1075.252. TAX RATE. The district may impose the tax at  
18 a rate not to exceed 75 cents on each \$100 valuation of taxable  
19 property in the district. (Acts 59th Leg., R.S., Ch. 108, Sec. 3a  
20 (part).)

21 Source Law

22 Sec. 3a. . . . [Stamford Hospital District]  
23 . . . [shall all taxable property situated within the  
24 expanded boundaries of the District be subject to the  
25 levy of annual taxes] at a rate not to exceed  
26 seventy-five cents (75¢) on each one hundred dollar  
27 valuation of taxable property. . . .

28 Revisor's Note  
29 (End of Subchapter)

30 (1) Section 13, Chapter 108, Acts of the 59th  
31 Legislature, Regular Session, 1965, requires the  
32 district to assess and collect taxes in a certain  
33 manner, using Stamford County Line Independent School  
34 District tax values and tax rolls. The revised law  
35 omits those provisions because they were repealed by  
36 Section 6(b), Chapter 841, Acts of the 66th  
37 Legislature, Regular Session, 1979, which repealed all  
38 "general, local, and special laws" that conflicted  
39 with that act. The 1979 act enacted the Property Tax  
40 Code (Title 1, Tax Code), a comprehensive, substantive

1 codification of all property tax law. Title 1, Tax  
2 Code, provides the exclusive procedures for the  
3 imposition and collection of property taxes by a  
4 taxing unit, including a hospital district. The  
5 omitted law reads:

6           Sec. 13. The District shall use  
7           Stamford County Line Independent School  
8           District tax values and Stamford County  
9           Line Independent School District tax rolls.  
10          The District's taxes shall be assessed and  
11          collected in the same manner as provided by  
12          law with relation to Independent School  
13          District taxes. . . .

14           (2) Section 13, Chapter 108, Acts of the 59th  
15          Legislature, Regular Session, 1965, requires the tax  
16          assessor-collector of the Stamford County Line  
17          Independent School District of Jones and Haskell  
18          Counties, Texas, to assess and collect the district's  
19          taxes. Section 13a of that act (added by Chapter 563,  
20          Acts of the 63rd Legislature, Regular Session, 1973)  
21          authorizes the board to provide that the provisions of  
22          Chapter 595, Acts of the 62nd Legislature, Regular  
23          Session, 1971 (Article 4494r-4, Vernon's Texas Civil  
24          Statutes), be applicable to the assessment,  
25          equalization, and collection of taxes by the district.  
26          The revised law omits the provisions because they were  
27          repealed by Sections 4(c), 6(a)(1), and 6(b), Chapter  
28          841, Acts of the 66th Legislature, Regular Session,  
29          1979, or are not necessary.

30           Article 4494r-4 authorized a hospital district  
31          created under Section 9, Article IX, Texas  
32          Constitution, to independently assess, equalize, and  
33          collect the district's taxes. The article required  
34          that the district's taxes be assessed and collected by  
35          the county tax assessor-collector or a tax  
36          assessor-collector appointed by the district. The  
37          article included other provisions related to the  
38          assessment and collection of taxes by the district.

1 Sections 4(c) and 6(a)(1), Chapter 841, Acts of the  
2 66th Legislature, Regular Session, 1979, specifically  
3 repealed all of the provisions of Article 4494r-4  
4 except the provision authorizing the hospital district  
5 to appoint a tax assessor-collector. (That provision  
6 was codified in 1989 as Section 285.041, Health and  
7 Safety Code, and a reference to that law is not  
8 necessary because it applies by its own terms.)

9 Section 6(b), Chapter 841, Acts of the 66th  
10 Legislature, Regular Session, 1979, repealed all  
11 "general, local, and special laws" that conflicted  
12 with the Tax Code. See Revisor's Note (1). Section  
13 6.22(c), Tax Code, provides that the governing body of  
14 a taxing unit authorized to have its own tax  
15 assessor-collector (which the district is authorized  
16 to do under Section 285.041, Health and Safety Code)  
17 may use that tax assessor-collector or may require the  
18 county to assess and collect its taxes. The omitted  
19 law reads:

20 Sec. 13. . . . The tax assessor  
21 and/or collector of the Stamford County  
22 Line Independent School District of Jones  
23 and Haskell Counties, Texas, shall be  
24 charged and required to accomplish the  
25 assessment and collection of all taxes  
26 levied by and on behalf of the District and  
27 . . . .

28 Sec. 13a. The Board of Directors may  
29 by resolution provide that Chapter 595,  
30 Acts of the 62nd Legislature, Regular  
31 Session, 1971 (Article 4494r-4, Vernon's  
32 Texas Civil Statutes), shall be applicable  
33 to the assessment, equalization and  
34 collection of taxes by the District in lieu  
35 of the provisions of Section 13 of this Act.

36 (3) Section 13, Chapter 108, Acts of the 59th  
37 Legislature, Regular Session, 1965, provides that tax  
38 revenue shall be deposited in the district's  
39 depository. The revised law omits the provision  
40 because Section 31.10, Tax Code, requires the tax  
41 assessor-collector for a taxing unit to deposit taxes  
42 collected in the unit's depository. The omitted law

1 reads:

2           Sec. 13. . . . [The tax assessor  
3 and/or collector of the Stamford County  
4 Line Independent School District of Jones  
5 and Haskell Counties, Texas, shall be  
6 charged and required] . . . to promptly pay  
7 over the same to the District depository.  
8 . . .

9           (4) Section 13, Chapter 108, Acts of the 59th  
10 Legislature, Regular Session, 1965, provides for  
11 compensating the school district tax  
12 assessor-collector for the assessment and collection  
13 of district taxes. The revised law omits that  
14 provision because it was repealed by Section 6(b),  
15 Chapter 841, Acts of the 66th Legislature, Regular  
16 Session, 1979. See Revisor's Note (1). Section 6.27,  
17 Tax Code, provides for the compensation of a tax  
18 assessor-collector assessing and collecting taxes for  
19 another taxing unit. The omitted law reads:

20           Sec. 13. . . . For his services the  
21 tax assessor-collector of the Stamford  
22 County Line Independent School District  
23 shall be allowed such compensation as may be  
24 provided for by contract with the District  
25 but not to exceed the amount allowed for  
26 assessment and collection of school  
27 district taxes. . . .

28           (5) Section 13, Chapter 108, Acts of the 59th  
29 Legislature, Regular Session, 1965, provides that the  
30 bond of the tax assessor-collector is security for the  
31 performance of district duties unless the board  
32 determines that an additional bond is necessary. The  
33 revised law omits that provision because it duplicates  
34 Section 6.29(b), Tax Code, which authorizes a taxing  
35 unit for which the tax assessor-collector for another  
36 taxing unit collects a tax to require that collector to  
37 post an additional bond. The omitted law reads:

38           Sec. 13. . . . The bond of the tax  
39 assessor-collector of the Stamford County  
40 Line Independent School District shall  
41 stand as security for the proper  
42 performance of his duties as  
43 assessor-collector of the District, or, if  
44 in the judgment of the District Board of

1 Directors, it is necessary that additional  
2 bond payable to the District may be  
3 required. . . .

4 (6) Section 13, Chapter 108, Acts of the 59th  
5 Legislature, Regular Session, 1965, provides that the  
6 county tax assessor-collector may act in accordance  
7 with state law relating to the assessment, collection,  
8 and enforcement of state and county taxes. The revised  
9 law omits that provision as unnecessary because Title  
10 1, Tax Code, governs the appraisal of property for and  
11 the assessment and collection of ad valorem taxes by  
12 all taxing units in this state, including hospital  
13 districts. See Section 1.02, Tax Code. The omitted  
14 law reads:

15 Sec. 13. . . . In all matters  
16 pertaining to the assessment, collection,  
17 and enforcement of taxes for the District,  
18 the tax assessor-collector of the Stamford  
19 County Line Independent School District  
20 shall be authorized to act in all respects  
21 according to the laws of the State of Texas  
22 relating to state and county taxes.

23 Revisor's Note  
24 (End of Chapter)

25 (1) Section 2, Chapter 108, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides that  
27 Jones and Haskell Counties or a municipality in the  
28 counties does not own any hospital facilities before  
29 the district's creation and that the district does not  
30 assume any debt or take over any properties on  
31 creation. The revised law omits those provisions as  
32 executed. The omitted law reads:

33 Sec. 2. . . . There being no  
34 hospital, hospital system, or hospital  
35 facilities of any nature presently owned by  
36 Jones and Haskell Counties or any city or  
37 town in the boundaries hereinabove set  
38 forth, no provisions are made herein for the  
39 transfer of properties or equipment or the  
40 assumption of outstanding indebtedness  
41 heretofore incurred for hospital purposes.

42 (2) Section 18a, Chapter 108, Acts of the 59th  
43 Legislature, Regular Session, 1965, provides for  
44 separate voting by persons who own property and

1 persons who do not own property if voting by only  
2 persons who own property is determined to be illegal.  
3 The revised law omits that provision because in Hill v.  
4 Stone, 421 U.S. 289 (1975), the U.S. Supreme Court  
5 determined that requiring a dual box election  
6 procedure is an unconstitutional denial of equal  
7 protection. The omitted law reads:

8           Sec. 18a. As a result of recent court  
9 decisions relating to elections, the  
10 Legislature hereby recognizes there is some  
11 confusion as to the proper qualifications  
12 of electors who may participate in certain  
13 types of elections. It is therefore  
14 expressly provided that the Board of  
15 Directors in calling any election required  
16 to be held under the provisions of this Act  
17 may provide that all qualified electors,  
18 including those who own taxable property  
19 which has been duly rendered for taxation  
20 should be permitted to vote at the election  
21 being called, by reason of the aforesaid  
22 court decisions; provided, however, in the  
23 order calling the election, provision is  
24 made whereby the ballots of the resident  
25 qualified property taxpaying electors who  
26 own taxable property which has been duly  
27 rendered for taxation can be tabulated and  
28 counted separately from the ballots of the  
29 other qualified electors, and in any  
30 election so called, a majority vote of the  
31 resident qualified property taxpaying  
32 voters who own taxable property which has  
33 been duly rendered for taxation and a  
34 majority vote of all qualified electors,  
35 including those who own taxable property  
36 which has been duly rendered for taxation,  
37 shall be required to sustain the  
38 proposition.

39           (3) Section 19, Chapter 108, Acts of the 59th  
40 Legislature, Regular Session, 1965, and Section 2,  
41 Chapter 563, Acts of the 63rd Legislature, Regular  
42 Session, 1973, provide in part that the acts are  
43 severable. The revised law omits those provisions  
44 because the same result is produced by application of  
45 Section 311.032, Government Code (Code Construction  
46 Act), which provides that a provision of a statute is  
47 severable from each other provision of the statute  
48 that can be given effect. The omitted law reads:

49           [Acts 59th Leg., R.S., Ch. 108]  
50           Sec. 19. If any of the provisions of

1 this Act or the application thereof to any  
2 person or circumstances is held invalid,  
3 such invalidity shall not affect other  
4 provisions or applications of the Act which  
5 can be given effect without the invalid  
6 provision or application, and to this end  
7 the provisions of this Act are declared to  
8 be severable.

9 [Acts 63rd Leg., R.S., Ch. 563]

10 Sec. 2. . . . If any provision of  
11 this Act should be invalid, such invalidity  
12 shall not affect the other provisions of  
13 this Act or the Act authorizing the creation  
14 of the district which can be given effect  
15 without the invalid provision, and to this  
16 end the provisions of this Act are declared  
17 severable.

18 (4) Section 2, Chapter 563, Acts of the 63rd  
19 Legislature, Regular Session, 1973, provides that the  
20 act does not violate the federal or state  
21 constitution, requires that action under the act  
22 comply with the constitutions, and provides a  
23 procedure to conform the act to those constitutions.  
24 Chapter 563 provided procedures for the expansion of  
25 the district beyond the 1965 boundaries. Because the  
26 boundaries of the district were expanded, the revised  
27 law omits that provision as executed. The omitted law  
28 reads:

29 Sec. 2. Nothing in this Act shall be  
30 construed to violate any provision of the  
31 federal or state constitutions, and all  
32 acts done under this Act shall be in such  
33 manner as will conform thereto, whether  
34 expressly provided or not. When any  
35 procedure hereunder may be held by any court  
36 to be in violation of either of such  
37 constitutions, the district shall have the  
38 power by resolution to provide an  
39 alternative procedure conformable with such  
40 constitutions. . . .

41 (5) Section 20, Chapter 108, Acts of the 59th  
42 Legislature, Regular Session, 1965, and Section 3,  
43 Chapter 563, Acts of the 63rd Legislature, Regular  
44 Session, 1973, provide that public notice of the  
45 enactment of the statutes was provided in a manner that  
46 satisfies the requirements of the Texas Constitution.  
47 The revised law omits these sections as executed. The  
48 omitted law reads:

1 [Acts 59th Leg., R.S., Ch. 108]  
 2 Sec. 20. Proof of Publication of the  
 3 notice required in the enactment hereof  
 4 under the provisions of Section 9 of Article  
 5 IX of the Texas Constitution has been made  
 6 in the manner and form provided by law  
 7 pertaining to the enactment of local and  
 8 special laws and such notice is hereby found  
 9 and declared proper and sufficient to  
 10 satisfy such requirement.

11 [Acts 63rd Leg., R.S., Ch. 563]  
 12 Sec. 3. Proof of publication of the  
 13 notice required in the enactment hereof  
 14 under the provisions of Article IX, Section  
 15 9, of the Texas Constitution, as amended,  
 16 has been made in the manner and form  
 17 provided by law pertaining to the enactment  
 18 of local and special laws, and such notice  
 19 is hereby found and declared proper and  
 20 sufficient to satisfy such requirement.

21 CHAPTER 1076. STARR COUNTY HOSPITAL DISTRICT  
 22 OF STARR COUNTY, TEXAS

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32		SUBCHAPTER A. GENERAL PROVISIONS	
33		<u>Revised Law</u>	
34	Sec. 1076.001.	DEFINITIONS. In this chapter:	

1 (1) "Board" means the board of trustees of the  
2 district.

3 (2) "District" means the Starr County Hospital  
4 District of Starr County, Texas.

5 (3) "Trustee" means a member of the board. (Acts 63rd  
6 Leg., R.S., Ch. 118, Sec. 1 (part); New.)

7 Source Law

8 Sec. 1. . . . [Starr County Hospital District  
9 of Starr County, Texas,] herein referred to as  
10 "district," . . . .

11 Revisor's Note

12 The definitions of "board" and "trustee" are  
13 added to the revised law for drafting convenience and  
14 to avoid frequent, unnecessary repetition of the  
15 substance of the definitions.

16 Revised Law

17 Sec. 1076.002. AUTHORITY FOR CREATION. The Starr County  
18 Hospital District of Starr County, Texas, is created under the  
19 authority of Section 9, Article IX, Texas Constitution. (Acts 63rd  
20 Leg., R.S., Ch. 118, Sec. 1 (part).)

21 Source Law

22 Sec. 1. By authority of Article IX, Section 9,  
23 of the Texas Constitution, this Act authorizes the  
24 creation of Starr County Hospital District of Starr  
25 County, Texas, . . . .

26 Revised Law

27 Sec. 1076.003. POLITICAL SUBDIVISION. The district is a  
28 political subdivision of this state. (Acts 63rd Leg., R.S., Ch.  
29 118, Sec. 12 (part).)

30 Source Law

31 Sec. 12. The district created under this Act  
32 shall be and is declared to be a political subdivision  
33 of the State of Texas, and . . . .

34 Revised Law

35 Sec. 1076.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
36 The accomplishment of the purposes stated in this chapter is for the  
37 benefit of the people of this state and for the improvement of their  
38 property and industries.

1 (b) The district is a governmental agency performing an  
2 essential public function under the constitution in carrying out  
3 the purposes of this chapter. (Acts 63rd Leg., R.S., Ch. 118, Secs.  
4 12 (part), 13 (part).)

5 Source Law

6 Sec. 12. [The district created under this Act  
7 shall be and is declared to be] . . . a governmental  
8 agency and body politic. . . .

9 Sec. 13. The accomplishment of the purposes  
10 stated in this Act being for the benefit of the people  
11 of this state and for the improvement of their  
12 properties and industries, the district in carrying  
13 out the purpose of this Act will be performing an  
14 essential public function under the constitution, and  
15 . . . .

16 Revisor's Note

17 Section 12, Chapter 118, Acts of the 63rd  
18 Legislature, Regular Session, 1973, provides that the  
19 district is "a governmental agency and body politic."  
20 The revised law omits "body politic" because the  
21 meaning of that term is included in the meaning of  
22 "governmental agency."

23 Revised Law

24 Sec. 1076.005. DISTRICT TERRITORY. The boundaries of the  
25 district are coextensive with the boundaries of Starr County,  
26 Texas, including all "cut over" or "banco" land on the north side of  
27 the Rio Grande River. (Acts 63rd Leg., R.S., Ch. 118, Sec. 1  
28 (part).)

29 Source Law

30 Sec. 1. . . . [this Act authorizes the creation  
31 of Starr County Hospital District] . . . with  
32 boundaries that are coterminous with the boundaries of  
33 Starr County, including all "cut over" or "banco" land  
34 lying along the north side of the Rio Grande River.

35 Revisor's Note  
36 (End of Subchapter)

37 (1) Section 2, Chapter 118, Acts of the 63rd  
38 Legislature, Regular Session, 1973, contains a  
39 legislative finding relating to the existence of a  
40 hospital, hospital system, hospital facility, or  
41 hospital authority before the creation of the district

1 owned by Starr County or by any city or town in the  
2 district boundaries. The revised law omits that  
3 provision as executed. The omitted law reads:

4 Sec. 2. . . . It is hereby found and  
5 determined that there is no hospital or  
6 hospital system or facilities of any nature  
7 presently owned by Starr County or by any  
8 city or town within the boundaries of this  
9 district, and that there has not been any  
10 hospital authority created by Starr County  
11 nor by any city or town within the  
12 boundaries of this district.

13 (2) Section 3, Chapter 118, Acts of the 63rd  
14 Legislature, Regular Session, 1973, provides  
15 procedures for holding an election on the creation of  
16 the district and the imposition of an ad valorem tax.  
17 Because the election has been held, the revised law  
18 omits those provisions as executed. The omitted law  
19 reads:

20 Sec. 3. (a) The district shall not  
21 be created nor shall a tax therein be  
22 authorized unless and until such creation  
23 and such taxes are approved by a majority of  
24 the electors who vote at an election called  
25 for such purpose. The election shall be  
26 called by a majority of the temporary  
27 trustees of the district and the election  
28 shall be held within 60 days from the time  
29 the election is ordered. The order calling  
30 the creation and tax election shall specify  
31 the time and place or places of holding  
32 same, the form of the ballot, and the  
33 presiding judge and alternate judge for  
34 each voting place, and provide for clerks as  
35 in county elections. At the election there  
36 shall be submitted to the electors the  
37 proposition of whether or not Starr County  
38 Hospital District shall be created . . . a  
39 majority of the electors of the district  
40 voting in said election in favor of the  
41 proposition shall be sufficient for its  
42 adoption.

43 (b) Notice of election shall be given  
44 by publishing a substantial copy of the  
45 election order in a newspaper of general  
46 circulation in the district once a week for  
47 two consecutive weeks, the first  
48 publication to appear at least 14 days prior  
49 to the date established for the election.

50 (c) The failure of any such creation  
51 and tax election shall not operate to  
52 prohibit the calling and holding of  
53 subsequent creation and tax elections for  
54 the same purpose.

55 [Sections 1076.006-1076.050 reserved for expansion]

1 SUBCHAPTER B. DISTRICT ADMINISTRATION

2 Revised Law

3 Sec. 1076.051. BOARD ELECTION; TERM. (a) A board of five  
4 trustees shall exercise the powers of the district.

5 (b) One trustee is elected from each commissioners precinct  
6 and one trustee is elected from the district at large by a majority  
7 of district voters.

8 (c) Unless four-year terms are established under Section  
9 285.081, Health and Safety Code:

10 (1) trustees serve two-year terms;

11 (2) trustees who represent odd-numbered precincts and  
12 the trustee elected at large are elected in odd-numbered years;

13 (3) trustees who represent even-numbered precincts  
14 are elected in even-numbered years; and

15 (4) a trustee's election shall be held each year on the  
16 May uniform election date prescribed by Section 41.001, Election  
17 Code, or another date authorized by law. (Acts 63rd Leg., R.S., Ch.  
18 118, Secs. 4(a) (part), (c) (part).)

19 Source Law

20 Sec. 4. (a) All powers of the district shall be  
21 exercised by a board of five trustees. Each trustee  
22 shall serve for two years and . . . .

23 (c) One trustee shall be elected from each  
24 commissioner's precinct. The fifth trustee shall be  
25 elected at-large, by a majority vote of all the voters  
26 of the district. An election shall be held each year  
27 on the May uniform election date as provided by Section  
28 41.001, Election Code, and the members representing  
29 odd-numbered precincts and the member-at-large shall  
30 be elected in odd-numbered years and the members  
31 representing the even-numbered precincts shall be  
32 elected in even-numbered years. . . .

33 Revisor's Note

34 (1) Section 4(a), Chapter 118, Acts of the 63rd  
35 Legislature, Regular Session, 1973, provides that the  
36 trustees serve two-year terms. Section 285.081, Health  
37 and Safety Code, applicable to this hospital district,  
38 provides a mechanism by which the governing board of a  
39 hospital district, on its own motion, may order that  
40 the trustees are to be elected in even-numbered years

1 to serve staggered four-year terms. The revised law is  
2 drafted accordingly and adds a reference to Section  
3 285.081, Health and Safety Code, for the convenience  
4 of the reader.

5 (2) Section 4(a), Chapter 118, Acts of the 63rd  
6 Legislature, Regular Session, 1973, provides that the  
7 trustees serve until their successors are elected and  
8 qualified. The revised law omits that provision  
9 because it duplicates Section 17, Article XVI, Texas  
10 Constitution, which provides that an officer in this  
11 state is to continue to perform the officer's official  
12 duties until a successor has qualified. The omitted  
13 law reads:

14 (a) . . . until a successor shall be  
15 elected and qualified. . . .

16 (3) Section 4(c), Chapter 118, Acts of the 63rd  
17 Legislature, Regular Session, 1973, was amended in  
18 2007 to require board elections to be held "on the May  
19 uniform election date as provided by Section 41.001,  
20 Election Code." The revised law adds "or another date  
21 authorized by law" to acknowledge other legislative  
22 enactments such as Section 41.0052, Election Code, as  
23 amended by Chapter 1318, Acts of the 82nd Legislature,  
24 Regular Session, 2011, that would result in the  
25 election being held on a date other than the date  
26 provided by the source law.

27 (4) Section 4(c), Chapter 118, Acts of the 63rd  
28 Legislature, Regular Session, 1973, requires the board  
29 to order the trustees' election. The revised law omits  
30 that provision because it duplicates Section 3.004,  
31 Election Code, applicable to the district under  
32 Section 1.002, Election Code. Section 3.004 requires  
33 the governing body of a political subdivision that has  
34 elective officers to order the general election for  
35 those officers. The omitted law reads:

1 (c) . . . The elections shall be  
2 ordered by the board. . . .

3 Revised Law

4 Sec. 1076.052. NOTICE OF ELECTION. Notice of a trustees'  
5 election shall be published in a newspaper of general circulation  
6 in the district in accordance with Section 4.003, Election Code.  
7 (Acts 63rd Leg., R.S., Ch. 118, Sec. 4(c) (part).)

8 Source Law

9 (c) . . . Notice of the election shall be by  
10 publication in a newspaper of general circulation in  
11 the district in accordance with Section 4.003,  
12 Election Code. . . .

13 Revised Law

14 Sec. 1076.053. QUALIFICATIONS FOR OFFICE. To qualify for  
15 election as a trustee, a person must:

16 (1) be at least 18 years of age;

17 (2) have been a resident of the district for at least  
18 two years;

19 (3) have been a resident of the commissioners precinct  
20 from which the person is to be elected for at least two years,  
21 unless the person is running at large; and

22 (4) be a qualified voter. (Acts 63rd Leg., R.S., Ch.  
23 118, Sec. 4(a) (part).)

24 Source Law

25 (a) . . . To qualify for election as a trustee,  
26 a person must be at least 21 years of age, have been a  
27 resident of the district for at least two years and of  
28 the commissioners precinct from which the person is to  
29 be elected, unless the person is running at-large, for  
30 at least two years, and be a qualified voter. . . .

31 Revisor's Note

32 Section 4(a), Chapter 118, Acts of the 63rd  
33 Legislature, Regular Session, 1973, provides that a  
34 person must "be at least 21 years of age" to qualify  
35 for election as a director. The revised law  
36 substitutes "18" for "21" because Section 129.001,  
37 Civil Practice and Remedies Code, establishes 18 years  
38 as the age of majority in this state. Section 129.002,  
39 Civil Practice and Remedies Code, provides that a law

1 adopted before August 27, 1973, that extends a right,  
2 privilege, or obligation to an individual on the basis  
3 of a minimum age of 19, 20, or 21 years shall be  
4 interpreted as prescribing a minimum age of 18 years.  
5 Section 4(a) was enacted on May 18, 1973, and the  
6 portion of that section relating to a minimum age of 21  
7 years has not been amended.

8 Revised Law

9 Sec. 1076.054. BOND. (a) Each trustee shall execute a good  
10 and sufficient commercial bond for \$1,000 that is:

11 (1) payable to the district; and

12 (2) conditioned on the faithful performance of the  
13 trustee's duties.

14 (b) The district may pay for a trustee's bond with district  
15 money. (Acts 63rd Leg., R.S., Ch. 118, Sec. 4(a) (part).)

16 Source Law

17 (a) . . . Each trustee . . . shall execute a  
18 good and sufficient commercial bond for \$1,000 payable  
19 to the district, conditioned upon the faithful  
20 performance of the trustee's duties. The bond may be  
21 paid from funds of the district. . . .

22 Revisor's Note

23 Section 4(a), Chapter 118, Acts of the 63rd  
24 Legislature, Regular Session, 1973, requires each  
25 trustee to subscribe to the oath of office. The  
26 revised law omits that provision because Section 1,  
27 Article XVI, Texas Constitution, requires all officers  
28 to take the oath (or affirmation) before assuming  
29 office. The omitted law reads:

30 (a) . . . [Each trustee] shall  
31 subscribe to the oath of office and . . . .

32 Revised Law

33 Sec. 1076.055. BOARD VACANCY. If a vacancy occurs on the  
34 board, the majority of remaining trustees shall appoint a trustee  
35 for the unexpired term. (Acts 63rd Leg., R.S., Ch. 118, Sec. 4(c)  
36 (part).)

1 Source Law

2 (c) . . . Any vacancy occurring on the board of  
3 trustees shall be filled for the unexpired term by a  
4 majority of the remaining trustees.

5 Revised Law

6 Sec. 1076.056. OFFICERS; DUTIES; ABSENCE OF PRESIDENT OR  
7 SECRETARY. (a) The board shall elect from among its members a  
8 president, vice president, and secretary, and other officers as in  
9 the judgment of the board are necessary.

10 (b) The president shall preside over district meetings and  
11 has the same right to vote as any other trustee.

12 (c) If the president is absent or fails or declines to act,  
13 the vice president shall perform the president's duties and  
14 exercise the president's powers under this chapter.

15 (d) The secretary:

16 (1) shall keep and sign the minutes of the board  
17 meetings; and

18 (2) is the custodian of the district's minutes and  
19 records.

20 (e) If the secretary is absent from a board meeting, the  
21 board shall name a secretary pro tem for the meeting who may:

22 (1) exercise all the duties and powers of the  
23 secretary for the meeting; and

24 (2) sign the minutes of the meeting. (Acts 63rd Leg.,  
25 R.S., Ch. 118, Sec. 4(d).)

26 Source Law

27 (d) The board of trustees shall elect from its  
28 number a president, a vice-president, and a secretary  
29 of the board of trustees and of the district, and such  
30 other officers as in the judgment of the board are  
31 necessary. The president shall preside over meetings  
32 of the district and shall have the same right to vote  
33 as any other trustee. The vice-president shall  
34 perform all duties and exercise all power conferred by  
35 this Act upon the president when the president is  
36 absent or fails or declines to act. The secretary  
37 shall keep and sign the minutes of the meetings of the  
38 board of trustees; and in his absence at any board  
39 meeting a secretary pro tem shall be named for that  
40 meeting who may exercise all the duties and powers of  
41 the secretary for such meeting, and sign the minutes at  
42 such meeting. The secretary shall be the custodian of  
43 all minutes and records of the district.

1 Revised Law

2 Sec. 1076.057. COMPENSATION; EXPENSES. A trustee serves  
3 without compensation but may be reimbursed for actual expenses  
4 incurred in the performance of official duties on approval of the  
5 expenses by the board. (Acts 63rd Leg., R.S., Ch. 118, Sec. 4(a)  
6 (part).)

7 Source Law

8 (a) . . . The board of trustees of the district  
9 shall serve without compensation but may be reimbursed  
10 for actual expenses incurred by them in the  
11 performance of their official duties, upon the  
12 approval of such expenses by the board of trustees.  
13 . . .

14 Revised Law

15 Sec. 1076.058. DISTRICT ADMINISTRATOR; ASSISTANT  
16 ADMINISTRATOR. (a) The board may appoint a qualified person as  
17 district administrator.

18 (b) The board may appoint an assistant administrator.

19 (c) The district administrator and any assistant  
20 administrator serve at the will of the board and shall receive the  
21 compensation determined by the board.

22 (d) On assuming the duties of district administrator, the  
23 administrator shall execute a bond payable to the district in an  
24 amount set by the board that:

25 (1) is conditioned on the administrator performing the  
26 administrator's duties; and

27 (2) contains other conditions the board may require.

28 (e) On assuming the duties of assistant administrator, the  
29 assistant administrator shall execute a bond payable to the  
30 district in an amount set by the board that:

31 (1) is conditioned on the assistant administrator  
32 performing the assistant administrator's duties; and

33 (2) contains other conditions the board may require.

34 (Acts 63rd Leg., R.S., Ch. 118, Sec. 5(b) (part).)

35 Source Law

36 (b) The board of trustees may appoint a  
37 qualified person to be known as the administrator of  
38 the hospital district and may in its discretion

1 appoint an assistant to the administrator. Such  
2 administrator, and assistant administrator, if any,  
3 shall serve at the will of the board and shall receive  
4 compensation as may be fixed by the board. The  
5 administrator, and assistant administrator, if any,  
6 shall each, upon assuming his duties, execute a bond  
7 payable to the district in an amount to be set by the  
8 board of trustees conditioned that he shall perform  
9 the duties required of him and containing such other  
10 conditions as the board may require. . . .

11 Revised Law

12 Sec. 1076.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
13 Subject to the limitations prescribed by the board, the district  
14 administrator shall:

15 (1) supervise the work and activities of the district;  
16 and

17 (2) direct the affairs of the district. (Acts 63rd  
18 Leg., R.S., Ch. 118, Sec. 5(b) (part).)

19 Source Law

20 (b) . . . The administrator shall supervise all  
21 the work and activities of the district and shall have  
22 general direction of the affairs of the district  
23 subject to such limitations as may be prescribed by the  
24 board.

25 Revised Law

26 Sec. 1076.060. APPOINTMENT AND REMOVAL OF MEDICAL STAFF AND  
27 EMPLOYEES. (a) The board may appoint any doctors to its medical  
28 staff and employ any technicians, nurses, and other employees as  
29 considered necessary for the efficient operation of the district or  
30 may provide that the district administrator has the authority to  
31 employ those persons.

32 (b) The board may make temporary appointments the board  
33 considers necessary.

34 (c) The board may, after due process, remove from the  
35 medical staff any doctor whose removal the board considers  
36 necessary for the efficient operation of the district. (Acts 63rd  
37 Leg., R.S., Ch. 118, Sec. 5(c).)

38 Source Law

39 (c) The board of trustees shall have the  
40 authority to appoint such doctors to its medical staff  
41 and employ such technicians, nurses, and other  
42 employees of every kind and character as may be deemed  
43 necessary for the efficient operation of the district  
44 or may provide that the administrator shall have the

1 authority to employ such persons. The board of  
2 trustees may make temporary appointments as it  
3 considers necessary. The board of trustees may remove  
4 from the medical staff, after due process, any doctor  
5 as necessary for the efficient operation of the  
6 district.

7 Revised Law

8 Sec. 1076.061. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES.

9 The board may use district money, enter into agreements, and take  
10 other necessary action to recruit or otherwise obtain physicians  
11 and other personnel for the district's medical staff or for  
12 employment with the district, including:

13 (1) advertising and marketing;

14 (2) paying recruitment expenses;

15 (3) paying travel and relocation expenses;

16 (4) providing a guarantee, subsidy, loan, or  
17 scholarship;

18 (5) sharing personnel; and

19 (6) authorizing a physician to use space in a district  
20 facility or providing a rent subsidy to a physician. (Acts 63rd  
21 Leg., R.S., Ch. 118, Sec. 4(e).)

22 Source Law

23 (e) The board of trustees may use district  
24 funds, enter into agreements, and take other necessary  
25 action to recruit or otherwise obtain physicians and  
26 other personnel for the district's medical staff or for  
27 employment with the district, including:

28 (1) advertising and marketing;

29 (2) paying recruitment expenses;

30 (3) paying travel and relocation expenses;

31 (4) providing guarantees, subsidies,  
32 loans, and scholarships;

33 (5) sharing personnel; and

34 (6) authorizing a physician to use space  
35 in district facilities or providing a rent subsidy to a  
36 physician.

37 Revised Law

38 Sec. 1076.062. HEALTH CARE EDUCATIONAL PROGRAMS. The board

39 may use district money, enter into agreements, and take other  
40 necessary action to conduct, participate in, or assist health care  
41 educational programs for the public and for current or potential  
42 medical staff members or employees. (Acts 63rd Leg., R.S., Ch. 118,  
43 Sec. 4(f).)



1 secretary to be a candidate for trustee in accordance  
2 with Chapter 144, Election Code. The revised law omits  
3 the requirement to file the application in accordance  
4 with Chapter 144, Election Code, because that chapter  
5 applies to the district under Section 1.002, Election  
6 Code, which provides that the Election Code applies to  
7 all elections held in this state. The omitted law  
8 reads:

9 (b) Any person who is qualified to  
10 serve on the board of trustees and who  
11 desires to have the person's name printed on  
12 the ballot shall file an application with  
13 the secretary of the board of trustees in  
14 accordance with Chapter 144, Election Code.

15 [Sections 1076.064-1076.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Revised Law

18 Sec. 1076.101. DISTRICT RESPONSIBILITY. The district shall  
19 provide medical and hospital care for the district's needy  
20 inhabitants. (Acts 63rd Leg., R.S., Ch. 118, Sec. 2 (part).)

21 Source Law

22 Sec. 2. . . . The district . . . shall provide  
23 medical and hospital care for the needy inhabitants of  
24 the district. . . .

25 Revised Law

26 Sec. 1076.102. MANAGEMENT, CONTROL, AND ADMINISTRATION.

27 (a) The district has authority to operate hospital facilities.

28 (b) The board shall manage, control, and administer the  
29 district's hospital and hospital system and carry out the functions  
30 of the district. (Acts 63rd Leg., R.S., Ch. 118, Secs. 2 (part),  
31 5(a) (part).)

32 Source Law

33 Sec. 2. . . . The district by and through its  
34 board of trustees has full authority to operate  
35 hospital facilities and . . . .

36 Sec. 5. (a) The board of trustees shall manage,  
37 control, and administer the hospital and hospital  
38 system of the district, and carry out the functions of  
39 the district. . . .

1 Revisor's Note

2 Section 2, Chapter 118, Acts of the 63rd  
3 Legislature, Regular Session, 1973, provides that the  
4 district has the authority to operate hospital  
5 facilities "by and through its board of trustees." The  
6 revised law omits that provision because the board of  
7 trustees is the governing body of the district and the  
8 provision does not add to the clear meaning of the law  
9 because the district cannot act except by and through  
10 the board.

11 Revised Law

12 Sec. 1076.103. HOSPITAL SYSTEM. The district shall provide  
13 for:

14 (1) the establishment of a hospital or hospital system  
15 in the district to provide medical and hospital care and treatment  
16 and related services to district residents by:

17 (A) purchasing, constructing, acquiring,  
18 repairing, or renovating buildings, facilities, and improvements;  
19 and

20 (B) equipping the buildings, facilities, and  
21 improvements for hospital purposes; and

22 (2) the operation, maintenance, and administration of  
23 the hospital or hospital system for hospital purposes. (Acts 63rd  
24 Leg., R.S., Ch. 118, Sec. 2 (part).)

25 Source Law

26 Sec. 2. The district hereby authorized to be  
27 created shall provide for the establishment of a  
28 hospital or hospital system within its boundaries to  
29 furnish medical and hospital care and treatment and  
30 related services to persons residing in the district  
31 by the purchase, construction, acquisition, repair, or  
32 renovation of buildings, facilities, and improvements  
33 and the equipping of same for hospital purposes and the  
34 operation, maintenance, and administration thereof  
35 for hospital purposes. . . .

36 Revised Law

37 Sec. 1076.104. RULES. The board may adopt rules for the  
38 operation of the district. (Acts 63rd Leg., R.S., Ch. 118, Sec. 5(a)  
39 (part).)





1 the district is not required to:

2 (1) pay in advance or provide a bond for the issuance  
3 of a temporary restraining order or a temporary injunction; or

4 (2) provide a bond for costs or a supersedeas bond on  
5 an appeal or petition for review. (Acts 63rd Leg., R.S., Ch. 118,  
6 Sec. 6.)

7 Source Law

8 Sec. 6. The district organized in pursuance of  
9 this Act shall have the right and power of eminent  
10 domain for the purpose of acquiring by condemnation  
11 any and all property of any kind or character, real,  
12 personal, or mixed, or any interest therein, including  
13 outright ownership of such property in fee simple  
14 absolute, within the boundaries of the district,  
15 necessary or convenient to the exercise of the rights,  
16 powers, privileges, and functions conferred upon it by  
17 this Act, in the manner provided by general law with  
18 respect to the condemnation; provided that the  
19 district shall not be required to make deposits in the  
20 registry of the trial court of the sum required by  
21 Paragraph 2 in Article 3268, Revised Civil Statutes of  
22 Texas, 1925, as amended, or to make the bond required  
23 therein. In condemnation proceedings being prosecuted  
24 by the district, the district shall not be required to  
25 pay in advance or give any bond otherwise required for  
26 the issuance of a temporary restraining order or a  
27 temporary injunction relating to a condemnation  
28 proceeding, nor to give bond for costs or for  
29 supersedeas or any appeal or writ of error proceeding  
30 to any court of civil appeals, or to the supreme court.

31 Revisor's Note

32 (1) Section 6, Chapter 118, Acts of the 63rd  
33 Legislature, Regular Session, 1973, provides that the  
34 district has the "right and power of eminent domain for  
35 the purpose of acquiring [property] by condemnation."  
36 The revised law substitutes for the quoted language  
37 "may exercise the power of eminent domain to acquire  
38 [property]" because the phrases have the same meaning,  
39 and the latter phrase is consistent with modern usage  
40 in laws relating to eminent domain.

41 (2) Section 6, Chapter 118, Acts of the 63rd  
42 Legislature, Regular Session, 1973, provides that the  
43 district must exercise the power of eminent domain in  
44 the manner provided by "general law with respect to the  
45 condemnation." The revised law substitutes for the

1 quoted language a reference to Chapter 21, Property  
2 Code, because that is the general law governing  
3 eminent domain for governmental entities.

4 (3) Section 6, Chapter 118, Acts of the 63rd  
5 Legislature, Regular Session, 1973, refers to  
6 "Paragraph 2 in Article 3268, Revised Civil Statutes  
7 of Texas, 1925, as amended." That statute was codified  
8 in 1983 as Section 21.021(a), Property Code, and the  
9 revised law is drafted accordingly. In addition,  
10 throughout this chapter, the revised law omits the  
11 references to "as amended" because under Section  
12 311.027, Government Code (Code Construction Act), a  
13 reference to a statute applies to all reenactments,  
14 revisions, or amendments of the statute unless  
15 expressly provided otherwise.

16 (4) Section 6, Chapter 118, Acts of the 63rd  
17 Legislature, Regular Session, 1973, provides that the  
18 district is not required to provide bond on any appeal  
19 or "writ of error proceeding" to "any court of civil  
20 appeals, or to the supreme court." The revised law  
21 substitutes "petition for review" for "writ of error"  
22 because, effective September 1, 1997, the Texas  
23 Supreme Court replaced the writ of error procedure  
24 with the petition for review procedure. See Rule 53.1,  
25 Texas Rules of Appellate Procedure. The revised law  
26 omits the references to the court of civil appeals (now  
27 the court of appeals) and the supreme court because  
28 those courts are the only courts to which the district  
29 may appeal or with which the district may file a  
30 petition for review.

31 Revised Law

32 Sec. 1076.108. GIFTS, GRANTS, AND ENDOWMENTS. The board may  
33 accept for the district a gift, grant, or endowment to be held in  
34 trust and administered by the board for the purposes and under the

1 directions, limitations, or other provisions prescribed in writing  
2 by the donor that are not inconsistent with the proper management  
3 and objectives of the district. (Acts 63rd Leg., R.S., Ch. 118,  
4 Sec. 11.)

5 Source Law

6 Sec. 11. The board of trustees of the district  
7 is authorized on behalf of the district to accept  
8 donations, grants, gifts, and endowments to be held in  
9 trust and administered by the board of trustees for  
10 such purposes and under such directions, limitations  
11 and provisions as may be prescribed in writing by the  
12 donor, not inconsistent with proper management and  
13 object of the district.

14 Revisor's Note

15 Section 11, Chapter 118, Acts of the 63rd  
16 Legislature, Regular Session, 1973, refers to  
17 "donations" and "gifts." The revised law omits the  
18 reference to "donations" because "donations" is  
19 included in the meaning of "gifts."

20 Revised Law

21 Sec. 1076.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
22 CARE AND TREATMENT. The board may contract with this state or a  
23 federal agency for the treatment of a sick or injured person for  
24 whom this state or the federal government is responsible. (Acts  
25 63rd Leg., R.S., Ch. 118, Sec. 5(d).)

26 Source Law

27 (d) The board shall be authorized to contract  
28 with the State of Texas and the federal government or  
29 any branch, arm, department, or agency thereof, for  
30 treatment of sick, diseased, or injured persons for  
31 whom the State of Texas or the federal government is  
32 responsible.

33 Revisor's Note

34 (1) Section 5(d), Chapter 118, Acts of the 63rd  
35 Legislature, Regular Session, 1973, authorizes the  
36 board to contract with the federal government "or any  
37 branch, arm, department, or agency thereof." The  
38 revised law omits the quoted language because under  
39 Section 311.005(9), Government Code, "United States"  
40 includes a department, bureau, or other agency of the

1 United States.

2 (2) Section 5(d), Chapter 118, Acts of the 63rd  
3 Legislature, Regular Session, 1973, refers to the  
4 treatment of a "sick, diseased, or injured" person.  
5 The revised law omits the reference to "diseased"  
6 because "diseased" is included in the meaning of  
7 "sick."

8 Revised Law

9 Sec. 1076.110. CONTRACTS FOR SERVICES. (a) The board may  
10 contract with any person to obtain or supply the facilities and  
11 services the board considers necessary for the efficient operation  
12 of the district.

13 (b) The board may contract with a public or private  
14 hospital, a political subdivision of this state, or a state or  
15 federal agency for the district to provide a mobile emergency  
16 medical service or to provide for the investigatory or welfare  
17 needs of district inhabitants. (Acts 63rd Leg., R.S., Ch. 118,  
18 Secs. 5(h), (i).)

19 Source Law

20 (h) The board of trustees may contract with an  
21 individual, a public or private entity, or a foreign  
22 government to obtain or to supply facilities and  
23 services necessary for the efficient operation of the  
24 district.

25 (i) The board of trustees may contract with a  
26 municipality, county, special district, public or  
27 private hospital, or other political subdivision of  
28 the state or a state or federal agency for the district  
29 to furnish a mobile emergency medical service or to  
30 provide for the investigatory or welfare needs of  
31 inhabitants of the district.

32 Revisor's Note

33 (1) Section 5(h), Chapter 118, Acts of the 63rd  
34 Legislature, Regular Session, 1973, refers to an  
35 "individual, a public or private entity, or a foreign  
36 government." The revised law substitutes "any person"  
37 for the quoted language because Section 311.005,  
38 Government Code (Code Construction Act), applicable to  
39 the revised law, defines "person" to include  
40 "corporation, organization, government or

1 governmental subdivision or agency, business trust,  
2 estate, trust, partnership, association, and any other  
3 legal entity."

4 (2) Section 5(i), Chapter 118, Acts of the 63rd  
5 Legislature, Regular Session, 1973, refers to a  
6 "municipality, county, special district, public or  
7 private hospital, or other political subdivision of  
8 the state." Throughout this chapter, the revised law  
9 omits references to "municipality," "county," and  
10 "special district" in this context because those terms  
11 are included in the meaning of "political subdivision  
12 of the state."

13 Revised Law

14 Sec. 1076.111. PROVISION OF CERTAIN HEALTH SERVICES. The  
15 district may operate or provide for:

16 (1) the operation of a mobile emergency medical or air  
17 ambulance service;

18 (2) home health services, long-term care, skilled  
19 nursing care, intermediate nursing care, or hospice care; and

20 (3) any other reasonable or appropriate medical care  
21 or medical service. (Acts 63rd Leg., R.S., Ch. 118, Sec. 2 (part).)

22 Source Law

23 Sec. 2. . . . The district may operate or  
24 provide for the operation of a mobile emergency  
25 medical or air ambulance service and may operate or  
26 provide for home-health services, long-term care,  
27 skilled nursing care, intermediate nursing care,  
28 hospice care, or any other reasonable or appropriate  
29 medical care or medical service. . . .

30 Revised Law

31 Sec. 1076.112. PAYMENT FOR TREATMENT; PROCEDURES. (a) When  
32 a patient who resides in the district is admitted to a district  
33 facility, the board or district administrator shall have an inquiry  
34 made into the circumstances of:

35 (1) the patient; and

36 (2) the patient's relatives legally liable for the  
37 patient's support.

1 (b) If the board or district administrator determines that  
2 the patient or those relatives cannot pay for all or part of the  
3 patient's care and treatment in the hospital, the amount that  
4 cannot be paid becomes a charge against the district.

5 (c) If the board or district administrator determines that  
6 the patient or those relatives are liable to pay for all or part of  
7 the patient's care and treatment, the patient or those relatives  
8 shall be ordered to pay the district a specified amount each week  
9 for the patient's care. The amount ordered must be proportionate to  
10 their financial ability and may not exceed the usual and customary  
11 charges for services.

12 (d) The board or district administrator may collect the  
13 amount from the patient's estate, or from any relative legally  
14 liable for the patient's support, in the manner provided by law for  
15 the collection of expenses of the last illness of a deceased person.

16 (e) If there is a dispute as to the ability to pay between  
17 any party and the board or district administrator, the county court  
18 shall hold a hearing and, after calling witnesses, shall:

19 (1) resolve the dispute; and

20 (2) issue any appropriate orders.

21 (f) Either party to the dispute may appeal the order to the  
22 district court. (Acts 63rd Leg., R.S., Ch. 118, Sec. 9.)

23 Source Law

24 Sec. 9. Whenever a patient residing within the  
25 district has been admitted to the facilities of the  
26 district, the board of trustees or administrator, if  
27 the board so determines, shall cause inquiry to be made  
28 as to his circumstances, and of the relatives of such  
29 patient legally liable for his support. If the board  
30 or administrator, as the case may be, finds that the  
31 patient or his relatives are liable to pay for his care  
32 and treatment in whole or in part, an order shall be  
33 made directing the patient, or his relatives, to pay  
34 the district for the care of the patient, a specified  
35 sum per week, in proportion to their financial  
36 ability, but such sum shall not exceed the usual and  
37 customary charges for services rendered. The board of  
38 trustees or the administrator, as herein stated, shall  
39 have power and authority to collect such sum from the  
40 estate of the patient, or his relatives legally liable  
41 for his support, in the manner provided by law for the  
42 collection of expenses of the last illness of a  
43 deceased person. If the board of trustees or the  
44 administrator, as herein stated, finds that such  
45 patient or his relatives are not able to pay, either in

1 whole or in part, for his care and treatment in such  
2 hospital, the same shall become a charge upon the  
3 district. Should there be a dispute as to the ability  
4 to pay between any party or parties and the board of  
5 trustees or the administrator, as the case may be,  
6 action shall lie in the County Court of Starr County to  
7 hear and determine same, after calling witnesses, if  
8 necessary and said court shall make such order as may  
9 be proper, from which appeal shall lie to the district  
10 court in Starr County by either party or parties to the  
11 dispute.

12 Revised Law

13 Sec. 1076.113. NONPROFIT CORPORATION. (a) The district  
14 may create and sponsor a nonprofit corporation under the Business  
15 Organizations Code and may contribute money to or solicit money for  
16 the corporation.

17 (b) The corporation may use money contributed by the  
18 district only to provide health care or other services the district  
19 is authorized to provide under this chapter.

20 (c) The corporation may enter into a joint venture with any  
21 public or private entity or individual to provide health care or  
22 other services the district is authorized to provide under this  
23 chapter.

24 (d) The corporation may invest the corporation's money in  
25 any manner in which the district may invest the district's money,  
26 including investing money as authorized by Chapter 2256, Government  
27 Code.

28 (e) The board shall establish controls to ensure that the  
29 corporation uses its money as required by this section. (Acts 63rd  
30 Leg., R.S., Ch. 118, Sec. 5A.)

31 Source Law

32 Sec. 5A. (a) The district may create and sponsor  
33 a nonprofit corporation under the Business  
34 Organizations Code and may contribute money to or  
35 solicit money for the corporation.

36 (b) A corporation created under this section may  
37 use money contributed by the district only to provide  
38 health care or other services the district is  
39 authorized to provide under this Act.

40 (c) A corporation created under this section may  
41 enter into a joint venture with any public or private  
42 entity or individual to provide health care or other  
43 services the district is authorized to provide under  
44 this Act.

45 (d) A corporation created under this section may  
46 invest the corporation's money in any manner in which  
47 the district may invest the district's money,  
48 including investing money as authorized by Chapter

1 2256, Government Code.

2 (e) The board of trustees shall establish  
3 controls to ensure that the corporation uses its money  
4 as required by this section.

5 [Sections 1076.114-1076.150 reserved for expansion]

6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7 Revised Law

8 Sec. 1076.151. BUDGET. The board shall prepare a budget  
9 that includes:

10 (1) proposed expenditures and disbursements;

11 (2) estimated receipts and collections for the next  
12 fiscal year; and

13 (3) the amount of taxes required to be imposed to meet  
14 the proposed budget. (Acts 63rd Leg., R.S., Ch. 118, Sec. 5(g)  
15 (part).)

16 Source Law

17 (g) . . . The board of trustees shall prepare a  
18 budget showing: (1) the proposed expenditures and  
19 disbursements; (2) the estimated receipts and  
20 collections for the next fiscal year; and (3) the  
21 amount of taxes required to be levied and collected  
22 during the next fiscal year to meet the proposed  
23 budget. . . .

24 Revisor's Note

25 Section 5(g), Chapter 118, Acts of the 63rd  
26 Legislature, Regular Session, 1973, refers to the levy  
27 and collection of a tax. The revised law substitutes  
28 "imposed" for "levied and collected" because "imposed"  
29 is the term generally used in Title 1, Tax Code, and  
30 includes the levying and collection of an ad valorem  
31 tax.

32 Revised Law

33 Sec. 1076.152. PROPOSED BUDGET: NOTICE AND HEARING. (a) The  
34 board shall hold a public hearing on the proposed budget.

35 (b) Notice of the hearing must be published at least once in  
36 a newspaper of general circulation in the district not later than  
37 the 10th day before the date of the hearing.

38 (c) Any district resident is entitled to:

39 (1) appear at the hearing; and

1 (2) be heard regarding any item in the proposed  
2 budget. (Acts 63rd Leg., R.S., Ch. 118, Sec. 5(g) (part).)

3 Source Law

4 (g) . . . The board shall hold a public hearing  
5 on the proposed budget after publication of notice in a  
6 newspaper of general circulation in the district. The  
7 notice must be given at least once not less than 10  
8 days prior to the hearing. Any person who is a  
9 resident of the district is entitled to appear at the  
10 hearing and be heard with reference to any item in the  
11 proposed budget. . . .

12 Revised Law

13 Sec. 1076.153. FISCAL YEAR. (a) The board shall establish  
14 the district fiscal year.

15 (b) The fiscal year may not be changed:

16 (1) during a period that revenue bonds of the district  
17 are outstanding; or

18 (2) more than once in a 24-month period. (Acts 63rd  
19 Leg., R.S., Ch. 118, Sec. 5(g) (part).)

20 Source Law

21 (g) . . . The fiscal year of the hospital  
22 district shall be established by the board. The fiscal  
23 year may not be changed during a period in which  
24 revenue bonds of the district are outstanding or more  
25 than once in a 24-month period.

26 Revised Law

27 Sec. 1076.154. ANNUAL AUDIT. As soon as practicable after  
28 the close of each fiscal year, the board shall have an annual audit  
29 made of the district's books and records by an independent public  
30 accountant. (Acts 63rd Leg., R.S., Ch. 118, Sec. 5(g) (part).)

31 Source Law

32 (g) The board shall cause an annual audit to be  
33 made by an independent public accountant of the books  
34 and records of the district as soon as practicable  
35 after the close of each fiscal year. . . .

36 Revised Law

37 Sec. 1076.155. FINANCIAL REPORT. (a) As soon as  
38 practicable after the close of each fiscal year, the district  
39 administrator shall prepare a report that includes:

40 (1) a complete sworn statement of all district money;

41 (2) a complete account of the disbursements of that

1 money during the previous fiscal year; and

2 (3) the details of district operation during the  
3 previous fiscal year.

4 (b) The district administrator shall make the report to the  
5 board. (Acts 63rd Leg., R.S., Ch. 118, Sec. 5(g) (part).)

6 Source Law

7 (g) . . . Once each year, as soon as practicable  
8 after the close of the fiscal year, the administrator  
9 shall report to the board of trustees a full sworn  
10 statement of all moneys belonging to the district and a  
11 full account of all disbursements during the previous  
12 fiscal year. Such report shall show in detail the  
13 operations of the district for the year. . . .

14 Revised Law

15 Sec. 1076.156. PROJECTS AND PURCHASES EXEMPT FROM  
16 ASSESSMENT OR TAXATION. The district is not required to pay a tax  
17 or assessment on:

- 18 (1) a district project or any part of the project; or
- 19 (2) a district purchase. (Acts 63rd Leg., R.S., Ch.  
20 118, Sec. 13 (part).)

21 Source Law

22 Sec. 13. . . . the district shall not be  
23 required to pay any tax or assessment on the project or  
24 any part thereof or on any purchase made by the  
25 district, and . . . .

26 Revised Law

27 Sec. 1076.157. DEPOSITORY. (a) The board shall select one  
28 or more banks in this state to act as a depository of bond proceeds  
29 or of revenue derived from the operation of district facilities.

30 (b) The depository shall, as determined by the board:

- 31 (1) furnish indemnity bonds;
- 32 (2) pledge securities; or
- 33 (3) meet any other requirement.

34 (c) Membership on the district's board of an officer or  
35 director of a bank does not disqualify the bank from being selected  
36 as depository. (Acts 63rd Leg., R.S., Ch. 118, Sec. 8.)

37 Source Law

38 Sec. 8. The board of trustees of the district  
39 shall select any bank in the State of Texas to act as  
40 depository of the proceeds of the bonds or revenues

1 derived from the operation of the facilities of the  
2 district, and said depository shall furnish such  
3 indemnity bonds or pledge such securities or meet such  
4 requirements as determined by the board of trustees of  
5 the district. Membership on the board of trustees of  
6 an officer or director of a bank shall not disqualify  
7 such bank from being designated as depository.

8 Revised Law

9 Sec. 1076.158. AUTHORITY TO BORROW MONEY; SECURITY. (a)

10 The board may borrow money at a rate not to exceed the maximum  
11 annual percentage rate allowed by law for district obligations at  
12 the time the loan is made.

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

14 (1) district revenue that is not pledged to pay the  
15 district's bonded indebtedness;

16 (2) a district tax to be imposed by the district during  
17 the 12-month period following the date of the pledge that is not  
18 pledged to pay the principal of or interest on district bonds; or

19 (3) a district bond that has been authorized but not  
20 sold.

21 (c) A loan for which taxes or bonds are pledged must mature  
22 not later than the first anniversary of the date the loan is made. A  
23 loan for which district revenue is pledged must mature not later  
24 than the fifth anniversary of the date the loan is made. (Acts 63rd  
25 Leg., R.S., Ch. 118, Sec. 5B.)

26 Source Law

27 Sec. 5B. (a) The board may borrow money at a  
28 rate not to exceed the maximum annual percentage rate  
29 allowed by law for district obligations at the time the  
30 loan is made.

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

32 (1) district revenue that is not pledged  
33 to pay the district's bonded indebtedness;

34 (2) a district tax to be imposed by the  
35 district during the 12-month period following the date  
36 of the pledge that is not pledged to pay the principal  
37 of or interest on district bonds; or

38 (3) a district bond that has been  
39 authorized but not sold.

40 (c) A loan for which taxes or bonds are pledged  
41 must mature not later than the first anniversary of the  
42 date the loan is made. A loan for which district  
43 revenue is pledged must mature not later than the fifth  
44 anniversary of the date the loan is made.

45 Revised Law

46 Sec. 1076.159. INVESTMENT OF DISTRICT MONEY. (a) The law

1 applicable to municipalities with respect to security for and  
2 investment of money governs, as applicable, the investment of  
3 district money. The bond order, resolution, or trust indenture may  
4 further restrict the investment.

5 (b) To the extent authorized in the bond order, resolution,  
6 or trust indenture and until the money is needed, the district may  
7 invest the proceeds of district bonds in direct obligations of or  
8 obligations unconditionally guaranteed by the United States. (Acts  
9 63rd Leg., R.S., Ch. 118, Sec. 15.)

10 Source Law

11 Sec. 15. The law as to security for and the  
12 investment of funds, applicable to cities shall  
13 control insofar as applicable the investment of funds  
14 belonging to the district. The bond order or  
15 resolution or trust indenture may further restrict the  
16 making of such investments. In addition to other  
17 powers, the district shall have the right to invest the  
18 proceeds of its bonds, until such money is needed, in  
19 direct obligations of or obligations unconditionally  
20 guaranteed by the United States government to the  
21 extent authorized by the bond order, resolution, or  
22 trust indenture.

23 Revisor's Note

24 Section 15, Chapter 118, Acts of the 63rd  
25 Legislature, Regular Session, 1973, refers to  
26 "cities." The revised law substitutes  
27 "municipalities" for "cities" because that is the term  
28 used in the Local Government Code.

29 [Sections 1076.160-1076.200 reserved for expansion]

30 SUBCHAPTER E. BONDS

31 Revised Law

32 Sec. 1076.201. GENERAL OBLIGATION BONDS. The board may  
33 issue and sell general obligation bonds in the name and on the faith  
34 and credit of the district for the purchase, construction,  
35 acquisition, repair, or renovation of buildings and improvements  
36 and equipping the buildings and improvements for district purposes  
37 or any combination of those purposes. (Acts 63rd Leg., R.S., Ch.  
38 118, Sec. 7(a) (part).)

39 Source Law

40 Sec. 7. (a) The board of directors shall have

1 the power and authority to issue and sell general  
2 obligation bonds in the name and upon the faith and  
3 credit of such hospital district for the purchase,  
4 construction, acquisition, repair, or renovation of  
5 buildings and improvements and equipping the same for  
6 district purposes, and for any or all of such purposes.  
7 . . .

8 Revised Law

9 Sec. 1076.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
10 the time general obligation bonds are issued by the district, the  
11 board shall impose an ad valorem tax at a rate sufficient to create  
12 an interest and sinking fund to pay the principal of and interest on  
13 the bonds as the bonds mature.

14 (b) The tax required by this section together with any other  
15 ad valorem tax the district imposes may not in any year exceed 75  
16 cents on each \$100 valuation of all taxable property in the  
17 district. (Acts 63rd Leg., R.S., Ch. 118, Secs. 7(a) (part), 12  
18 (part).)

19 Source Law

20 Sec. 7. (a) . . . At the time of the issuance  
21 of any general obligation bonds by the district a tax  
22 shall be levied by the board sufficient to create an  
23 interest and sinking fund to pay the interest on and  
24 principal of said bonds as same mature, providing such  
25 tax together with any other taxes levied for said  
26 district shall not exceed 75 cents on each \$100  
27 valuation of taxable property in any one year. . . .

28 Sec. 12. . . . The ad valorem plan of taxation  
29 is adopted for this district.

30 Revisor's Note

31 (1) Section 7(a), Chapter 118, Acts of the 63rd  
32 Legislature, Regular Session, 1973, requires the levy  
33 of an annual tax to pay the principal of and interest  
34 on bonds. The revised law specifies that the tax is an  
35 "ad valorem" tax because Section 12 provides that "the  
36 ad valorem plan of taxation is adopted for this  
37 district."

38 (2) Section 12, Chapter 118, Acts of the 63rd  
39 Legislature, Regular Session, 1973, provides that the  
40 ad valorem plan of taxation "is adopted for this  
41 district." The revised law omits the plan's adoption  
42 as executed but codifies the requirement that the

1 district use the ad valorem plan of taxation.

2 Revised Law

3 Sec. 1076.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
4 district may issue general obligation bonds or other bonds secured  
5 wholly or partly by an ad valorem tax, other than refunding bonds,  
6 only if the bonds are authorized by a majority of the voters voting  
7 at an election held for that purpose.

8 (b) The order and publication of notice for the bond  
9 election must be provided in accordance with Chapter 1251,  
10 Government Code. (Acts 63rd Leg., R.S., Ch. 118, Secs. 7(a) (part),  
11 7B(b).)

12 Source Law

13 Sec. 7. (a) . . . General obligation bonds may  
14 not be issued by the district until authorized by a  
15 majority of the qualified voters voting at an election  
16 called for such purpose. The order for bond election  
17 and the publication of notice for the election shall be  
18 provided in accordance with Chapter 1251, Government  
19 Code. . . .

20 [Sec. 7B]

21 (b) The board of trustees may issue bonds  
22 secured wholly or partly by an ad valorem tax, other  
23 than refunding bonds, only if the bonds are approved at  
24 an election held in the district in accordance with  
25 Section 7 of this Act.

26 Revisor's Note

27 (1) Section 7(a), Chapter 118, Acts of the 63rd  
28 Legislature, Regular Session, 1973, refers to a  
29 majority of the "qualified" voters of the district.  
30 The revised law omits "qualified" as unnecessary in  
31 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 (2) Section 7(a), Chapter 118, Acts of the 63rd  
37 Legislature, Regular Session, 1973, refers to an  
38 election "called" for the purpose of authorizing  
39 bonds. Section 7B(b) of Chapter 118 refers to an  
40 election "held" for that purpose. The revised law

1 omits references to "calling" an election because, in  
2 this context, "calling" an election is included in the  
3 meaning of "holding" an election. Under Chapter 3,  
4 Election Code, all elections must be ordered (called)  
5 before they may be held.

6 (3) Section 7(a), Chapter 118, Acts of the 63rd  
7 Legislature, Regular Session, 1973, provides that a  
8 bond election shall be conducted in accordance with  
9 the general laws of this state pertaining to general  
10 elections, except as modified by that chapter. The  
11 general law on elections is the Election Code. The  
12 revised law omits the provision because Section 1.002,  
13 Election Code, provides that the Election Code applies  
14 to all elections held in this state. An exception to  
15 the application of the Election Code would apply by its  
16 own terms. The omitted law reads:

17 (a) . . . The election shall be  
18 conducted in accordance with the general  
19 laws of Texas pertaining to general  
20 elections, except as modified by the  
21 provisions of this Act.

22 Revised Law

23 Sec. 1076.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
24 board president shall execute district general obligation bonds in  
25 the district's name, and the board secretary shall countersign the  
26 bonds in the manner provided by Chapter 618, Government Code. (Acts  
27 63rd Leg., R.S., Ch. 118, Sec. 7(c) (part).)

28 Source Law

29 (c) . . . Bonds shall be executed in the name of  
30 the hospital district and on its behalf by the  
31 president of the board and countersigned by the  
32 secretary in the manner provided by Chapter 618,  
33 Government Code, and . . . .

34 Revised Law

35 Sec. 1076.205. REVENUE BONDS. (a) The board may issue  
36 revenue bonds to:

37 (1) purchase, construct, acquire, repair, equip, or  
38 renovate buildings and improvements for district purposes; or

1 (2) acquire sites for district purposes.

2 (b) The bonds must be payable from and secured by a pledge of  
3 all or part of district revenue derived from the operation of the  
4 district's hospital or health care facilities.

5 (c) The bonds may be additionally secured by a mortgage or  
6 deed of trust lien on all or part of district property.

7 (d) The bonds must be issued in the manner and in accordance  
8 with the procedures and requirements prescribed by Sections  
9 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
10 and Safety Code, for issuance of revenue bonds by a county hospital  
11 authority. (Acts 63rd Leg., R.S., Ch. 118, Secs. 7A(a) (part), (b),  
12 (c), (d).)

13 Source Law

14 Sec. 7A. (a) The board of trustees may issue  
15 and . . . revenue bonds to:

16 (1) purchase, construct, acquire, repair,  
17 equip, or renovate buildings and improvements for  
18 district purposes; and

19 (2) acquire sites for district purposes.

20 (b) The bonds must be payable from and secured  
21 by a pledge of all or any part of the revenue derived  
22 from the operation of the district's hospital or health  
23 care facilities.

24 (c) The bonds may be additionally secured by a  
25 mortgage or deed of trust lien on all or part of  
26 district property.

27 (d) The bonds must be issued in the manner and in  
28 accordance with the procedures and requirements  
29 prescribed by Sections 264.042, 264.043, and  
30 264.046-264.049, Health and Safety Code, for issuance  
31 of revenue bonds by county hospital authorities.

32 Revised Law

33 Sec. 1076.206. REFUNDING BONDS. (a) The board may issue  
34 refunding bonds to refund any outstanding indebtedness issued or  
35 assumed by the district.

36 (b) A refunding bond may be sold, with the proceeds of the  
37 refunding bond applied to the payment of outstanding indebtedness.

38 (Acts 63rd Leg., R.S., Ch. 118, Secs. 7(b) (part), 7A(a) (part).)

39 Source Law

40 [Sec. 7]

41 (b) Refunding bonds of the district may be  
42 issued for the purpose of refunding and paying off any  
43 outstanding indebtedness it has issued or assumed.  
44 Such refunding bonds may be sold and the proceeds  
45 thereof applied to the payment of outstanding  
46 indebtedness . . . .



1 Government Code, applies to the district by its own  
2 terms under Section 1207.001, Government Code. The  
3 omitted law reads:

4 (b) . . . provided further that if  
5 such refunding bonds are to be sold and the  
6 proceeds thereof applied to the payment of  
7 such outstanding indebtedness, same shall  
8 be issued and payments made in the manner  
9 specified by Chapter 503, Acts of the 54th  
10 Legislature, 1955, as amended (Article  
11 717k, Vernon's Texas Civil Statutes).

12 Revised Law

13 Sec. 1076.207. MATURITY OF BONDS. District bonds must  
14 mature not later than 40 years after the date of issuance. (Acts  
15 63rd Leg., R.S., Ch. 118, Sec. 7(c) (part).)

16 Source Law

17 (c) Bonds of the district must mature not later  
18 than the 40th anniversary of the date of issuance and  
19 . . . .

20 Revisor's Note

21 Section 7(c), Chapter 118, Acts of the 63rd  
22 Legislature, Regular Session, 1973, provides that  
23 district bonds must bear interest at a rate that does  
24 not exceed the rate provided by Chapter 1204,  
25 Government Code. The revised law omits the provision  
26 because Section 1204.006, Government Code, applies to  
27 the district on its own terms by application of Section  
28 1204.001, Government Code. The omitted law reads:

29 (c) [Bonds of the district] . . .  
30 must bear a rate of interest that does not  
31 exceed the amount provided by Chapter 1204,  
32 Government Code. . . .

33 Revised Law

34 Sec. 1076.208. ADDITIONAL MEANS OF SECURING REPAYMENT OF  
35 BONDS. In addition to the authority to issue general obligation  
36 bonds and revenue bonds under this subchapter, the board may  
37 provide for the security and payment of district bonds from a pledge  
38 of a combination of ad valorem taxes as authorized by Section  
39 1076.202 and revenue and other sources as authorized by Section  
40 1076.205. (Acts 63rd Leg., R.S., Ch. 118, Sec. 7B(a).)



1 a period of acquisition or construction of a project or  
2 facility to be provided through the bonds, not to  
3 exceed five years;

4 (3) costs related to the operation and  
5 maintenance of a project or facility to be provided  
6 through the bonds;

7 (A) during an estimated period of  
8 acquisition or construction, not to exceed five years;  
9 and

10 (B) for one year after the project or  
11 facility is acquired or constructed;

12 (4) costs related to the financing of the  
13 bond funds, including debt service reserve and  
14 contingency funds;

15 (5) costs related to the bond issuance;

16 (6) costs related to the acquisition of  
17 land or an interest in land for a project or facility  
18 to be provided through the bonds; and

19 (7) construction costs of a project or  
20 facility to be provided through the bonds, including  
21 the payment of related professional services and  
22 expenses.

#### 23 Revised Law

24 Sec. 1076.210. BONDS EXEMPT FROM TAXATION. The following  
25 are exempt from taxation by this state:

26 (1) bonds issued by the district;

27 (2) the transfer of the bonds; and

28 (3) the income from the bonds, including profits made  
29 on the sale of the bonds. (Acts 63rd Leg., R.S., Ch. 118, Sec. 13  
30 (part).)

#### 31 Source Law

32 Sec. 13. . . . the bonds issued hereunder and  
33 their transfer and the income therefrom, including the  
34 profits made on the sale thereof, shall at all times be  
35 free from taxation within this state.

#### 36 Revisor's Note 37 (End of Subchapter)

38 (1) Section 7(c), Chapter 118, Acts of the 63rd  
39 Legislature, Regular Session, 1973, provides that  
40 district bonds are subject to the requirements of  
41 Chapter 1202, Government Code, that relate to bond  
42 approval by the attorney general and registration of  
43 the bonds by the comptroller. The revised law omits  
44 the provision because it duplicates provisions of  
45 general law. Section 1202.003(a), Government Code,  
46 requires the bonds to be submitted to the attorney  
47 general. Section 1202.003(b), Government Code,

1 provides for approval of the bonds by the attorney  
2 general and requires the attorney general to submit  
3 the approved bonds to the comptroller for  
4 registration. Section 1202.005, Government Code,  
5 requires registration of the bonds by the comptroller.  
6 Those sections apply to district bonds by application  
7 of Section 1202.001, Government Code. The omitted law  
8 reads:

9 (c) . . . shall be subject to the  
10 same requirements in the matter of approval  
11 by the Attorney General of Texas and  
12 registration by the Comptroller of Public  
13 Accounts of the State of Texas as are  
14 provided by Chapter 1202, Government Code.

15 (2) Section 14, Chapter 118, Acts of the 63rd  
16 Legislature, Regular Session, 1973, provides that  
17 district bonds are legal and authorized investments  
18 for certain entities. The revised law omits the  
19 provision as unnecessary. As to several of the  
20 entities listed, Section 14 has been superseded and  
21 impliedly repealed. Investments in securities by  
22 banks are regulated by Section 34.101, Finance Code  
23 (enacted in 1995 as Section 5.101, Texas Banking Act  
24 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
25 Investments in securities by savings banks are  
26 regulated by Section 93.001(c)(10), Finance Code  
27 (enacted in 1993 as Section 7.15(10), Texas Savings  
28 Bank Act (Article 489e, Vernon's Texas Civil  
29 Statutes)). Investments in securities by trust  
30 companies are regulated by Section 184.101, Finance  
31 Code (enacted in 1997 as Section 5.101, Texas Trust  
32 Company Act (Article 342a-5.101, Vernon's Texas Civil  
33 Statutes)). Investments in securities by savings and  
34 loan associations are regulated by Sections 63.002 and  
35 64.001, Finance Code. As to the remaining entities  
36 listed, Section 14 is superseded by Section 1201.041,  
37 Government Code, enacted as Section 9, Bond Procedures

1 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
2 Statutes). Section 1201.041, Government Code, applies  
3 to district bonds by application of Section 1201.002,  
4 Government Code. The revised law omits the reference  
5 to public funds of this state because it has been  
6 superseded by Section 404.024, Government Code  
7 (enacted in 1985 as Section 2.014, Treasury Act  
8 (Article 4393-1, Vernon's Texas Civil Statutes), and  
9 last amended in 2007), which governs the investment of  
10 state funds. Section 404.024(b)(10), Government Code,  
11 authorizes the investment of state funds in  
12 obligations of political subdivisions, including  
13 hospital districts. The revised law omits the  
14 reference to public funds of political subdivisions or  
15 public agencies of the state because it has been  
16 superseded by Chapter 2256, Government Code (enacted  
17 in 1987 as the Public Funds Investment Act of 1987  
18 (Article 842a-2, Vernon's Texas Civil Statutes)),  
19 which governs the investment of local funds. The  
20 omitted law reads:

21           Sec. 14. All bonds and refunding  
22 bonds of the district shall be and are  
23 hereby declared to be legal and authorized  
24 investments of banks, savings banks, trust  
25 companies, building and loan associations,  
26 savings and loan associations, insurance  
27 companies, trustees, and sinking funds of  
28 cities, towns, villages, counties, school  
29 districts, or other political subdivisions  
30 of the State of Texas, and for all public  
31 funds of the State of Texas or its agencies  
32 including the State Permanent School  
33 Fund. . . .

34           (3) Section 14, Chapter 118, Acts of the 63rd  
35 Legislature, Regular Session, 1973, provides that  
36 district bonds may secure deposits of public funds of  
37 this state or political subdivisions of this state.  
38 The revised law omits the provision as impliedly  
39 repealed by Section 404.0221, Government Code (enacted  
40 in 1995), which lists eligible collateral for deposits

1 of state funds by the comptroller, and by Chapter 2257,  
2 Government Code (enacted in 1989 as Article 2529d,  
3 Vernon's Texas Civil Statutes), which governs eligible  
4 collateral for deposits of funds of other public  
5 agencies, including political subdivisions, and  
6 permits those deposits to be secured by obligations  
7 issued by hospital districts. The omitted law reads:

8           Sec. 14. . . . Such bonds shall be  
9 eligible to secure deposit of public funds  
10 of the State of Texas and public funds of  
11 cities, towns, villages, counties, school  
12 districts, or other political subdivisions  
13 or corporations of the State of Texas, and  
14 such bonds shall be lawful and sufficient  
15 security for said deposits to the extent of  
16 their value when accompanied by all  
17 unmatured coupons appurtenant thereto.

18 [Sections 1076.211-1076.250 reserved for expansion]

19                           SUBCHAPTER F. TAXES

20                                   Revised Law

21           Sec. 1076.251. IMPOSITION OF AD VALOREM TAX. The board may  
22 impose a tax on all property in the district subject to district  
23 taxation. (Acts 63rd Leg., R.S., Ch. 118, Secs. 3(a) (part), 10(a)  
24 (part).)

25                                   Source Law

26           Sec. 3. (a) . . . [Starr County Hospital District  
27 shall be created] with authority to levy annual taxes  
28 . . . [on] . . . all taxable property within such  
29 district, and . . . .

30           Sec. 10. (a) The board of trustees annually  
31 may impose property taxes . . . .

32                                   Revised Law

33           Sec. 1076.252. TAX RATE. The board may impose the tax at a  
34 rate not to exceed the limit approved by the voters at the election  
35 authorizing the imposition of taxes, which may not exceed 75 cents  
36 on each \$100 valuation of all taxable property in the district.  
37 (Acts 63rd Leg., R.S., Ch. 118, Secs. 3(a) (part), 10(a) (part).)

38                                   Source Law

39           Sec. 3. (a) . . . [Starr County Hospital District  
40 shall be created with authority to levy annual taxes]  
41 at a rate not to exceed 75 cents on the \$100 valuation  
42 of all taxable property within such district, . . . .



1 percent of the registered district voters.

2 (d) The order calling the election must state:

3 (1) the nature of the election, including the  
4 proposition to appear on the ballot;

5 (2) the date of the election;

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

7 (4) the location of the polling places.

8 (e) Section 41.001, Election Code, does not apply to an  
9 election ordered under this section. (Acts 63rd Leg., R.S., Ch.  
10 118, Secs. 11A(a), (b), (c), (d).)

11 Source Law

12 Sec. 11A. (a) The district may be dissolved  
13 only on approval of a majority of the district voters  
14 voting in an election held for that purpose.

15 (b) The board of trustees may order an election  
16 on the question of dissolving the district and  
17 disposing of the district's assets. The board shall  
18 order an election if the board receives a petition  
19 requesting an election that is signed by a number of  
20 registered voters of the district equal to at least 15  
21 percent of the registered voters in the district.

22 (c) Section 41.001, Election Code, does not  
23 apply to an election ordered under this section.

24 (d) The order calling the election shall state:

25 (1) the nature of the election, including  
26 the proposition to appear on the ballot;

27 (2) the date of the election;

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

30 (4) the location of the polling places.

31 Revised Law

32 Sec. 1076.302. NOTICE OF ELECTION. (a) The board shall  
33 give notice of an election under this subchapter by publishing once  
34 a week for two consecutive weeks a substantial copy of the election  
35 order in a newspaper with general circulation in the district.

36 (b) The first publication of notice must appear not later  
37 than the 35th day before the date set for the election. (Acts 63rd  
38 Leg., R.S., Ch. 118, Sec. 11A(e).)

39 Source Law

40 (e) The board shall give notice of the election  
41 by publishing once a week for two consecutive weeks a  
42 substantial copy of the election order in a newspaper  
43 with general circulation in the district. The first  
44 publication must appear not later than the 35th day  
45 before the date set for the election.

1 Revised Law

2 Sec. 1076.303. BALLOT. The ballot for an election under  
3 this subchapter must be printed to permit voting for or against the  
4 proposition: "The dissolution of the Starr County Hospital  
5 District." (Acts 63rd Leg., R.S., Ch. 118, Sec. 11A(f).)

6 Source Law

7 (f) The ballot for the election shall be printed  
8 to permit voting for or against the proposition: "The  
9 dissolution of the Starr County Hospital District."

10 Revised Law

11 Sec. 1076.304. ELECTION RESULTS. (a) If a majority of the  
12 votes in an election under this subchapter favor dissolution, the  
13 board shall order that the district be dissolved.

14 (b) If a majority of the votes in the election do not favor  
15 dissolution, the board shall continue to administer the district  
16 and another election on the question of dissolution may not be held  
17 before the first anniversary of the date of the most recent election  
18 to dissolve the district. (Acts 63rd Leg., R.S., Ch. 118, Sec.  
19 11A(g).)

20 Source Law

21 (g) If a majority of the votes in the election  
22 favor dissolution, the board shall order that the  
23 district be dissolved. If a majority of the votes in  
24 the election do not favor dissolution, the board shall  
25 continue to administer the district and another  
26 election on the question of dissolution may not be held  
27 before the first anniversary of the date of the most  
28 recent election to dissolve the district.

29 Revised Law

30 Sec. 1076.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
31 If a majority of the votes in an election under this subchapter  
32 favor dissolution, the board shall:

33 (1) transfer the land, buildings, improvements,  
34 equipment, and other assets that belong to the district to Starr  
35 County or another governmental entity in Starr County; or

36 (2) administer the property, assets, and debts until  
37 all money has been disposed of and all district debts have been paid  
38 or settled.

39 (b) If the district makes the transfer under Subsection

1 (a)(1), the county or entity assumes all debts and obligations of  
2 the district at the time of the transfer, and the district is  
3 dissolved.

4 (c) If the district does not make the transfer under  
5 Subsection (a)(1) and the board administers the property, assets,  
6 and debts of the district under Subsection (a)(2), the district is  
7 dissolved when all the money has been disposed of and all district  
8 debts have been paid or settled. (Acts 63rd Leg., R.S., Ch. 118,  
9 Secs. 11A(h), (i), (j).)

10 Source Law

11 (h) If a majority of the votes in the election  
12 favor dissolution, the board shall:

13 (1) transfer the land, buildings,  
14 improvements, equipment, and other assets that belong  
15 to the district to Starr County or another  
16 governmental entity in Starr County; or

17 (2) administer the property, assets, and  
18 debts until all funds have been disposed of and all  
19 district debts have been paid or settled.

20 (i) If the district makes the transfer under  
21 Subsection (h)(1) of this section, the county or  
22 entity assumes all debts and obligations of the  
23 district at the time of the transfer, at which time the  
24 district is dissolved.

25 (j) If the district does not make the transfer  
26 under Subsection (h)(1) of this section, the board  
27 shall administer the property, assets, and debts of  
28 the district until all funds have been disposed of and  
29 all district debts have been paid or settled, at which  
30 time the district is dissolved.

31 Revised Law

32 Sec. 1076.306. IMPOSITION OF TAX AND RETURN OF SURPLUS  
33 TAXES. (a) After the board finds that the district is dissolved,  
34 the board shall:

35 (1) determine any debt owed by the district; and

36 (2) impose on the property included on the district's  
37 tax roll a tax that is in proportion of any debt to the property  
38 value.

39 (b) On the payment of all outstanding debts and obligations  
40 of the district, the board shall order the board secretary to return  
41 to each district taxpayer the taxpayer's pro rata share of all  
42 unused tax money.

43 (c) A taxpayer may request that the taxpayer's share of  
44 surplus tax money be credited to the taxpayer's county taxes. If a

1 taxpayer requests the credit, the board shall direct the board  
2 secretary to transmit the money to the county tax  
3 assessor-collector. (Acts 63rd Leg., R.S., Ch. 118, Secs. 11A(k),  
4 (1).)

5 Source Law

6 (k) After the board finds that the district is  
7 dissolved, the board shall:

8 (1) determine the debt owed by the  
9 district; and

10 (2) impose on the property included in the  
11 district's tax rolls a tax that is in proportion of the  
12 debt to the property value.

13 (l) On the payment of all outstanding debts and  
14 obligations of the district, the board shall order the  
15 secretary to return to each district taxpayer the  
16 taxpayer's pro rata share of all unused tax money. A  
17 taxpayer may request that the taxpayer's share of  
18 surplus tax money be credited to the taxpayer's county  
19 taxes. If a taxpayer requests the credit, the board  
20 shall direct the secretary to transmit the funds to the  
21 county tax assessor-collector.

22 Revised Law

23 Sec. 1076.307. REPORT; DISSOLUTION ORDER. (a) After the  
24 district has paid all district debts and has disposed of all  
25 district money and other assets as prescribed by this subchapter,  
26 the board shall file a written report with the Commissioners Court  
27 of Starr County summarizing the board's actions in dissolving the  
28 district.

29 (b) Not later than the 10th day after the date the  
30 commissioners court receives the report and determines that the  
31 requirements of this subchapter have been fulfilled, the  
32 commissioners court shall enter an order:

33 (1) dissolving the district; and

34 (2) releasing the board from any further duty or  
35 obligation. (Acts 63rd Leg., R.S., Ch. 118, Sec. 11A(m).)

36 Source Law

37 (m) After the district has paid all its debts  
38 and has disposed of all district assets and funds as  
39 prescribed by this section, the board shall file a  
40 written report with the Commissioners Court of Starr  
41 County summarizing the board's actions in dissolving  
42 the district. Not later than the 10th day after the  
43 date the commissioners court receives the report and  
44 determines that the requirements of this section have  
45 been fulfilled, the commissioners court shall enter an  
46 order dissolving the district and releasing the board  
47 from any further duty or obligation.



1 and is ineffective to repeal subsequent legislation.  
 2 Furthermore, Section 311.026, Government Code (Code  
 3 Construction Act), provides that if there is a  
 4 conflict between a general provision of law and a  
 5 special provision, the special provision prevails  
 6 unless the general provision is the later enactment  
 7 and the manifest intent is that the general provision  
 8 prevail. The omitted law reads:

9                   Sec. 17. . . . In the event any of  
 10                   the provisions hereof shall be in conflict  
 11                   with any other law of this state, the  
 12                   provisions of this Act shall prevail.

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14 CHAPTER 1087. RANKIN COUNTY HOSPITAL DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Revised Law

17 Sec. 1087.001. DEFINITIONS. In this chapter:

- 18 (1) "Board" means the board of directors of the
- 19 district.
- 20 (2) "Director" means a member of the board.
- 21 (3) "District" means the Rankin County Hospital
- 22 District. (New.)

23 Revisor's Note

24 The definitions of "board," "director," and  
25 "district" are added to the revised law for drafting  
26 convenience and to eliminate frequent, unnecessary  
27 repetition of the substance of the definitions.

28 Revised Law

29 Sec. 1087.002. AUTHORITY FOR CREATION. The Rankin County  
30 Hospital District is created under the authority of Section 9,  
31 Article IX, Texas Constitution, and has the rights, powers, and  
32 duties prescribed by this chapter. (Acts 60th Leg., R.S., Ch. 182,  
33 Sec. 1 (part).)



1 elected to serve the consolidated district.

2 (e) Not more than one consolidation election may be held  
3 after each general election.

4 (f) Refunding bonds may be issued by the consolidated  
5 district to refund any outstanding bonds, including bonds issued by  
6 the district on consolidation, original bonds, and refunding bonds.  
7 Additional funding may be provided as authorized by this chapter.  
8 (Acts 60th Leg., R.S., Ch. 182, Sec. 18.)

9 Source Law

10 Sec. 18. The qualified electorate of the  
11 hospital districts as provided herein may by  
12 two-thirds majority vote of each hospital district,  
13 consolidate the McCamey Hospital District into the  
14 Rankin Hospital District at any time subsequent to the  
15 organization of the separate hospital districts. When  
16 it is proposed to consolidate the two districts, 25  
17 percent of the qualified taxpaying voters of each  
18 district may, by petition, request the commissioners  
19 court to submit such a proposal to an election in each  
20 of the two hospital districts. By the same petition and  
21 at the same election there shall be an election of five  
22 directors to serve the consolidated district.

23 No more than one such election may be held after  
24 each general election. Both districts must separately  
25 approve the merger to effect the consolidation.

26 Refunding bonds may be issued by the district to  
27 refund any outstanding bonds (whether issued by said  
28 district upon merger and whether such outstanding  
29 bonds are original or refunding bonds). Additional  
30 funding may be as provided by this Act.

31 Revisor's Note

32 (1) Section 18, Chapter 182, Acts of the 60th  
33 Legislature, Regular Session, 1967, refers to the  
34 "McCamey Hospital District" and the "Rankin Hospital  
35 District." The revised law substitutes "McCamey  
36 County Hospital District" and "Rankin County Hospital  
37 District" for the quoted language in this section and  
38 throughout the chapter because those are the names  
39 designated in the provisions authorizing the creation  
40 of the hospital districts. See Section 1, Chapter 182,  
41 Acts of the 60th Legislature, Regular Session, 1967  
42 (revised in this chapter as Section 1087.002),  
43 creating the "Rankin County Hospital District," and  
44 Section 1, Chapter 183, Acts of the 60th Legislature,

1 Regular Session, 1967, creating the "McCamey County  
2 Hospital District."

3 (2) Section 18, Chapter 182, Acts of the 60th  
4 Legislature, Regular Session, 1967, provides for the  
5 consolidation of the McCamey County Hospital District  
6 into the Rankin County Hospital District "at any time  
7 subsequent to the organization of the separate  
8 hospital districts." The revised law omits the quoted  
9 language as executed because both districts have been  
10 organized.

11 (3) Section 18, Chapter 182, Acts of the 60th  
12 Legislature, Regular Session, 1967, refers to a  
13 petition signed by 25 percent of the "qualified  
14 taxpaying voters" of the McCamey Hospital District and  
15 the Rankin Hospital District. Throughout this  
16 chapter, the revised law omits "qualified" as  
17 unnecessary in this context because Chapter 11,  
18 Election Code, governs eligibility to vote in an  
19 election in this state and allows only qualified  
20 voters who are residents of the territory covered by  
21 the election to vote in an election.

22 (4) Section 18, Chapter 182, Acts of the 60th  
23 Legislature, Regular Session, 1967, provides for the  
24 consolidation of the McCamey County Hospital District  
25 into the Rankin County Hospital District. When  
26 consolidation is proposed, 25 percent of the voters of  
27 each district may request the commissioners court to  
28 submit the proposal for consolidation to the voters of  
29 the two hospital districts. Throughout this chapter,  
30 the revised law adds "Upton County" to the reference to  
31 the commissioners court because both of the hospital  
32 districts are located in Upton County.

33 Revisor's Note  
34 (End of Subchapter)

35 Section 2, Chapter 182, Acts of the 60th

1 Legislature, Regular Session, 1967, provides  
2 procedures for holding an election on the creation of  
3 the district and the imposition of an ad valorem tax.  
4 Because the election has been held, the revised law  
5 omits the provisions as executed. The omitted law  
6 reads:

7           Sec. 2. The district shall not be  
8 created nor shall any tax therein be  
9 authorized unless and until such creation  
10 and such tax are approved by a majority of  
11 the qualified property taxpaying electors  
12 of the district voting at an election called  
13 for such purposes. Such election may be  
14 initiated by the Commissioners Court of  
15 Upton County, Texas, upon its own motion or  
16 shall be called by said commissioners court  
17 upon presentation of a petition therefor  
18 signed by at least 100 qualified property  
19 taxpaying electors of the district. Such  
20 election shall be held not less than 20 nor  
21 more than 35 days from the time such  
22 election is ordered by the commissioners  
23 court. The order calling the election shall  
24 specify the time and places of holding same,  
25 the form of ballot and the presiding judge  
26 for each voting place. Notice of election  
27 shall be given by publishing a substantial  
28 copy of the election order in a newspaper of  
29 general circulation in said district once a  
30 week for two consecutive weeks, the first  
31 publication to appear at least 14 days prior  
32 to the date established for the election. If  
33 the proposition to create the Rankin County  
34 Hospital District fails to carry at the  
35 election, no other election for the same  
36 purpose may be held within one year after  
37 the result of the election is announced  
38 officially. At said election there shall be  
39 submitted to the qualified property  
40 taxpaying electors of said district the  
41 proposition of whether or not Rankin County  
42 Hospital District shall be created with  
43 authority to levy annual taxes at a rate not  
44 to exceed 75 cents on the \$100 valuation of  
45 all taxable property within such district  
46 for the purpose of meeting the requirements  
47 of the district's bonds, the indebtedness  
48 assumed by it and its maintenance and  
49 operating expenses, and a majority of the  
50 qualified property taxpaying electors of  
51 the district voting at said election in  
52 favor of the proposition shall be  
53 sufficient for its adoption. The ballots  
54 shall have printed thereon the following:

55           "FOR the creation of Rankin County  
56 Hospital District, the levy of a tax not to  
57 exceed 75 cents on the \$100 valuation and  
58 the assumption by such district of all  
59 outstanding bonds and indebtedness  
60 heretofore issued and incurred by the  
61 county for hospital purposes."

62           "AGAINST the creation of Rankin County

1 Hospital District, the levy of a tax not to  
2 exceed 75 cents on the \$100 valuation and  
3 the assumption by such district of all  
4 outstanding bonds and indebtedness  
5 heretofore issued and incurred by the  
6 county for hospital purposes."

7 [Sections 1087.006-1087.050 reserved for expansion]

8 SUBCHAPTER B. DISTRICT ADMINISTRATION

9 Revised Law

10 Sec. 1087.051. BOARD ELECTION; TERM. (a) The board  
11 consists of five directors elected from the district at large.

12 (b) Directors serve staggered two-year terms unless  
13 four-year terms are established under Section 285.081, Health and  
14 Safety Code.

15 (c) An election shall be held annually on the May uniform  
16 election date or another date authorized by law. (Acts 60th Leg.,  
17 R.S., Ch. 182, Secs. 3(a), (i) (part).)

18 Source Law

19 Sec. 3. (a) The board of directors consists of  
20 five members elected from the district at large.  
21 Directors serve staggered two-year terms unless  
22 four-year terms are established under Section 285.081,  
23 Health and Safety Code.

24 (i) Unless four-year terms are established  
25 under Section 285.081, Health and Safety Code, a  
26 regular election of directors shall be held on the  
27 uniform election date in May of each year to elect the  
28 appropriate number of directors. . . .

29 Revisor's Note

30 Section 3(i), Chapter 182, Acts of the 60th  
31 Legislature, Regular Session, 1967, provides that an  
32 election shall be held on the uniform election date in  
33 May. The revised law adds "or another date authorized  
34 by law" to acknowledge other legislative enactments  
35 such as Section 41.0052, Election Code, as amended by  
36 Chapter 1318, Acts of the 82nd Legislature, Regular  
37 Session, 2011, that would result in the election being  
38 held on a date other than the date provided by the  
39 source law.

40 Revised Law

41 Sec. 1087.052. NOTICE OF ELECTION. Notice of a directors'

1 election shall be published in a newspaper of general circulation  
2 in Upton County in accordance with Section 4.003, Election Code.  
3 (Acts 60th Leg., R.S., Ch. 182, Sec. 3(i) (part).)

4 Source Law

5 (i) . . . Notice of the election shall be  
6 published in accordance with Section 4.003, Election  
7 Code, in a newspaper of general circulation in the  
8 county.

9 Revisor's Note

10 Section 3, Chapter 182, Acts of the 60th  
11 Legislature, Regular Session, 1967, requires notice of  
12 a directors' election to be published in "the county."  
13 Throughout this chapter, the revised law substitutes  
14 "Upton County" for the quoted language because Upton  
15 County is the county in which the district is located.

16 Revised Law

17 Sec. 1087.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
18 not be elected or appointed a director unless the person is:

- 19 (1) a resident of the district; and  
20 (2) at least 18 years of age.

21 (b) A district employee may not serve as director. (Acts  
22 60th Leg., R.S., Ch. 182, Secs. 3(b), (c).)

23 Source Law

24 (b) A person may not be elected or appointed as a  
25 director unless the person is:  
26 (1) a resident of the district; and  
27 (2) at least 21 years of age.  
28 (c) An employee of the district may not serve as  
29 a director.

30 Revisor's Note

31 Section 3(b), Chapter 182, Acts of the 60th  
32 Legislature, Regular Session, 1967, states that a  
33 person must be "at least 21 years of age" at the time  
34 the person is elected or appointed as a director. The  
35 revised law substitutes "at least 18 years of age" for  
36 the quoted language because Section 129.001, Civil  
37 Practice and Remedies Code, establishes 18 years of  
38 age as the age of majority in this state. Section

1 129.002, Civil Practice and Remedies Code, provides  
2 that a law adopted before August 27, 1973, that extends  
3 a right, privilege, or obligation to an individual on  
4 the basis of a minimum age of 19, 20, or 21 years shall  
5 be interpreted as prescribing a minimum age of 18  
6 years.

7 Revised Law

8 Sec. 1087.054. BOND; RECORD OF BOND. (a) Before assuming  
9 the duties of office, each director must execute a bond for \$1,000  
10 that is:

11 (1) payable to the district; and

12 (2) conditioned on the faithful performance of the  
13 director's duties.

14 (b) The district shall pay for a director's bond.

15 (c) Each director's bond shall be deposited with a  
16 depository bank of the district for safekeeping. (Acts 60th Leg.,  
17 R.S., Ch. 182, Sec. 3(d).)

18 Source Law

19 (d) Before assuming the duties of the office of  
20 director, each member of the board of directors shall  
21 execute a bond for \$1,000 payable to the district  
22 conditioned upon the faithful performance of the  
23 director's duties, and such bonds shall be deposited  
24 with the depository bank of the district for  
25 safekeeping. The cost of this bond shall be an expense  
26 of the hospital district.

27 Revised Law

28 Sec. 1087.055. BOARD VACANCY. (a) If a vacancy occurs in  
29 the office of director, the remaining directors shall appoint a  
30 director.

31 (b) A director appointed under this section serves until the  
32 next election for directors. A director elected under this  
33 subsection serves only for the remainder of the unexpired term.  
34 (Acts 60th Leg., R.S., Ch. 182, Sec. 3(h).)

35 Source Law

36 (h) All vacancies in the office of director  
37 shall be filled by appointment of the remainder of the  
38 board of directors until the next election for  
39 directors and at such election the directors shall be  
40 elected for the unexpired term.

1 Revised Law

2 Sec. 1087.056. OFFICERS. (a) The board shall elect from  
3 among its members a president and a vice president.

4 (b) The board shall appoint a secretary, who need not be a  
5 director. (Acts 60th Leg., R.S., Ch. 182, Sec. 3(e).)

6 Source Law

7 (e) The board of directors shall elect from  
8 among its members a president and vice president. The  
9 board shall appoint a secretary, who need not be a  
10 director.

11 Revised Law

12 Sec. 1087.057. VOTING REQUIREMENT. A concurrence of three  
13 directors is sufficient in any matter relating to district  
14 business. (Acts 60th Leg., R.S., Ch. 182, Sec. 3(f).)

15 Source Law

16 (f) A concurrence of three directors is  
17 sufficient in all matters pertaining to the business  
18 of the district.

19 Revised Law

20 Sec. 1087.058. DISTRICT ADMINISTRATOR. (a) The board may  
21 appoint a qualified person as district administrator.

22 (b) The district administrator serves at the will of the  
23 board and receives the compensation determined by the board.

24 (c) The board may remove the district administrator at any  
25 time.

26 (d) Before assuming the duties of district administrator,  
27 the administrator must execute a bond payable to the district in an  
28 amount of not less than \$10,000 that:

29 (1) is conditioned on the administrator performing  
30 well and faithfully the administrator's required duties; and

31 (2) contains any other condition the board may  
32 require.

33 (e) The board may pay for the bond with district money.  
34 (Acts 60th Leg., R.S., Ch. 182, Secs. 4(a), (b), (c).)

35 Source Law

36 Sec. 4. (a) The board may appoint a qualified  
37 person as district administrator.

38 (b) The district administrator serves at the

1 will of the board and receives the compensation  
2 determined by the board. The administrator shall be  
3 subject to removal at any time by the board.

4 (c) The administrator shall, before entering  
5 into the discharge of the administrator's duties,  
6 execute a bond payable to the district, in the amount  
7 of not less than \$10,000 conditioned that the  
8 administrator shall well and faithfully perform the  
9 duties required, and containing such other conditions  
10 as the board may require. The board may pay for the  
11 bond with district money.

12 Revised Law

13 Sec. 1087.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

14 Subject to any limitation prescribed by the board, the district  
15 administrator shall:

16 (1) perform the duties required by the board;

17 (2) supervise the work and activities of the district;

18 and

19 (3) direct the affairs of the district. (Acts 60th  
20 Leg., R.S., Ch. 182, Sec. 4(d).)

21 Source Law

22 (d) The administrator shall perform all duties  
23 which may be required of the administrator by the  
24 board, and shall supervise all of the work and  
25 activities of the district and have general direction  
26 of the affairs of the district within such limitations  
27 as may be prescribed by the board.

28 Revised Law

29 Sec. 1087.060. ASSISTANT TO DISTRICT ADMINISTRATOR. (a)

30 The board may designate an assistant to the district administrator  
31 to discharge a duty or function of the administrator in the event of  
32 the administrator's incapacity, absence, or inability to discharge  
33 the duty or function.

34 (b) The assistant shall post the bond required by board  
35 order.

36 (c) The assistant is subject to any limitation prescribed by  
37 board order. (Acts 60th Leg., R.S., Ch. 182, Sec. 5.)

38 Source Law

39 Sec. 5. In the event of incapacity, absence or  
40 inability of the administrator to discharge any of the  
41 duties required of him, the board may designate an  
42 assistant to the administrator to discharge any duties  
43 or functions required of the administrator. Such  
44 assistant or other persons shall give bond and have  
45 such limitations upon his authority as may be fixed by  
46 the order of the board.

1 Revised Law

2 Sec. 1087.061. LEGAL COUNSEL. The board may employ legal  
3 counsel to represent the district in all legal matters. (Acts 60th  
4 Leg., R.S., Ch. 182, Sec. 20.)

5 Source Law

6 Sec. 20. The board of directors of said hospital  
7 district shall be authorized to employ legal counsel  
8 to represent the hospital district in all legal  
9 matters.

10 Revised Law

11 Sec. 1087.062. RETIREMENT PROGRAM. (a) With the approval  
12 of the Upton County Commissioners Court, the board may contract  
13 with this state and the federal government as necessary to  
14 establish or continue a retirement program for the benefit of  
15 district employees.

16 (b) The board may establish other retirement programs for  
17 the benefit of district employees as the board considers necessary  
18 and advisable. (Acts 60th Leg., R.S., Ch. 182, Secs. 4(e) (part),  
19 (f).)

20 Source Law

21 (e) [The board of directors, with the approval  
22 of the commissioners court,] . . . . Further, under  
23 the same conditions, the board of directors may enter  
24 into such contracts with the state and federal  
25 government as may be necessary to establish or  
26 continue a retirement program for the benefit of its  
27 employees.

28 (f) The board of directors may in addition to  
29 retirement programs authorized by this Act establish  
30 such other retirement program for the benefit of its  
31 employees as it deems necessary and advisable.

32 Revised Law

33 Sec. 1087.063. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
34 Except as provided by Section 1087.054, all district records,  
35 including books, accounts, notices, minutes, and all other matters  
36 of the district and the operation of its facilities, shall be:

- 37 (1) maintained at the district office; and  
38 (2) open to public inspection at the district office  
39 at all reasonable hours. (Acts 60th Leg., R.S., Ch. 182, Secs.  
40 3(g), 9 (part).)

1 Source Law

2 [Sec. 3]

3 (g) All district records, including books,  
4 accounts, notices, minutes, and all other matters of  
5 the district and the operation of its facilities,  
6 shall be:

- 7 (1) maintained at the district office; and  
8 (2) open to public inspection at the  
9 district office at all reasonable hours.

10 Sec. 9. . . .

11 All books, records, accounts, notices and minutes  
12 and all other matters of the district and the operation  
13 of its facilities shall be maintained at the office of  
14 the district and there be open to the public inspection  
15 at all reasonable hours.

16 Revisor's Note

17 Sections 3(g) and 9, Chapter 182, Acts of the 60th  
18 Legislature, Regular Session, 1967, require the  
19 district to maintain all district records at the  
20 district office and make the records available for  
21 public inspection. For the convenience of the reader,  
22 the revised law adds a cross-reference to Section  
23 1087.054 of this chapter because that section provides  
24 an exception to the requirement that all district  
25 records be stored at the district office.

26 [Sections 1087.064-1087.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

28 Revised Law

29 Sec. 1087.101. DISTRICT RESPONSIBILITY. The district has  
30 full responsibility for providing medical and hospital care for the  
31 district's needy and indigent residents. (Acts 60th Leg., R.S.,  
32 Ch. 182, Sec. 11 (part).)

33 Source Law

34 Sec. 11. . . . such hospital district shall be  
35 deemed to have assumed full responsibility for the  
36 furnishing of medical and hospital care for the needy  
37 and indigent persons residing in said hospital  
38 district from the date that taxes are collected for the  
39 hospital district.

40 Revisor's Note

41 Section 11, Chapter 182, Acts of the 60th  
42 Legislature, Regular Session, 1967, provides that the  
43 district "shall be deemed to have assumed" full

1 responsibility for providing medical and hospital care  
2 for the district's needy and indigent residents and  
3 that the district shall assume that responsibility  
4 "from the date that taxes are collected for the  
5 hospital district." The revised law substitutes "has"  
6 for "shall be deemed to have assumed" because the duty  
7 to assume the responsibility is executed. The revised  
8 law omits "from the date that taxes are collected for  
9 the hospital district" as executed.

10 Revised Law

11 Sec. 1087.102. RESTRICTION ON COUNTY OR MUNICIPALITY  
12 TAXATION. A county or a municipality in the district may not impose  
13 any tax for hospital purposes. (Acts 60th Leg., R.S., Ch. 182, Sec.  
14 11 (part).)

15 Source Law

16 Sec. 11. No county or part thereof that has been  
17 constituted a part of this hospital district, and no  
18 city therein, shall thereafter levy any tax for  
19 hospital purposes; and . . . .

20 Revisor's Note

21 Section 11, Chapter 182, Acts of the 60th  
22 Legislature, Regular Session, 1967, prohibits certain  
23 counties and any "city therein" from levying a tax for  
24 hospital purposes. The revised law substitutes  
25 "municipality" for "city" because that is the term  
26 used in the Local Government Code. Additionally,  
27 throughout this chapter, the revised law substitutes  
28 "impose" for "levy" because, in the context of  
29 taxation, the terms are synonymous and "impose" is the  
30 term used in Title 1, Tax Code.

31 Revised Law

32 Sec. 1087.103. PURCHASING AND ACCOUNTING. The board may  
33 prescribe:

34 (1) the method of making purchases and expenditures by  
35 and for the district; and

36 (2) accounting and control procedures for the

1 district. (Acts 60th Leg., R.S., Ch. 182, Secs. 13(a), (b).)

2 Source Law

3 Sec. 13. (a) The board may prescribe the  
4 method of making purchases and expenditures by and for  
5 the district.

6 (b) The board may prescribe accounting and  
7 control procedures for the district.

8 Revisor's Note

9 Section 13(d), Chapter 182, Acts of the 60th  
10 Legislature, Regular Session, 1967, provides that  
11 Chapter 2253, Government Code, applies to the  
12 district's construction contracts in relation to  
13 performance and payment bonds. The revised law omits  
14 the provision because Chapter 2253, Government Code,  
15 applies to hospital districts on its own terms. The  
16 omitted law reads:

17 (d) Chapter 2253, Government Code,  
18 applies to construction contracts let by  
19 the district.

20 Revised Law

21 Sec. 1087.104. EMINENT DOMAIN. (a) The district may  
22 exercise the power of eminent domain to acquire a fee simple or  
23 other interest in any type of property, real, personal, or mixed,  
24 located in district territory if the interest is necessary or  
25 convenient for the district to exercise a right, power, privilege,  
26 or function conferred on the district by this chapter.

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

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

33 (1) pay in advance or provide a bond for the issuance  
34 of a temporary restraining order or a temporary injunction; or

35 (2) provide a bond for costs or a supersedeas bond on  
36 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 182,  
37 Sec. 17.)

1 Source Law

2 Sec. 17. The hospital district organized in  
3 pursuance of this Act shall have the right and power of  
4 eminent domain for the purpose of acquiring by  
5 condemnation any and all property of any kind or  
6 character, real, personal or mixed, or any interest  
7 therein, including outright ownership of such property  
8 in fee simple absolute, within the boundaries of the  
9 said district, necessary or convenient to the exercise  
10 of the rights, powers, privileges and functions  
11 conferred upon it by this Act, in the manner provided  
12 by general law with respect to condemnation by  
13 counties; provided that the said district shall not be  
14 required to make deposits in the registry of the trial  
15 court of the sum required by paragraph numbered 2 in  
16 Article 3268, Revised Civil Statutes of Texas, 1925,  
17 or to make the bond required therein. In condemnation  
18 proceedings being prosecuted by the said district, the  
19 district shall not be required to pay in advance or  
20 give any 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 or 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 17, Chapter 182, 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 17, Chapter 182, 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 the quoted language a reference to  
42 Chapter 21, Property Code, because that is the general  
43 law governing eminent domain for governmental  
44 entities.

45 (3) Section 17, Chapter 182, Acts of the 60th  
46 Legislature, Regular Session, 1967, refers to

1 "paragraph numbered 2 in Article 3268, Revised Civil  
2 Statutes of Texas, 1925." That statute was codified in  
3 1983 as Section 21.021(a), Property Code, and the  
4 revised law is drafted accordingly.

5 (4) Section 17, Chapter 182, Acts of the 60th  
6 Legislature, Regular Session, 1967, provides that the  
7 district is not required to provide bond on any appeal  
8 or "writ of error proceeding" to "any court of civil  
9 appeals, or to the supreme court." The revised law  
10 substitutes "petition for review" for "writ of error"  
11 because, effective September 1, 1997, the Texas  
12 Supreme Court replaced the writ of error procedure  
13 with the petition for review procedure. See Rule 53.1,  
14 Texas Rules of Appellate Procedure. The revised law  
15 omits the references to the court of civil appeals (now  
16 the court of appeals) and the supreme court because  
17 those are the only courts to which the district may  
18 appeal or with which the district may file a petition  
19 for review.

#### 20 Revised Law

21 Sec. 1087.105. GIFTS AND ENDOWMENTS. The board may accept  
22 for the district a gift or endowment to be held in trust and  
23 administered by the board for the purposes and under the  
24 directions, limitations, and provisions prescribed in writing by  
25 the donor that are not inconsistent with the proper management and  
26 objectives of the district. (Acts 60th Leg., R.S., Ch. 182, Sec.  
27 16.)

#### 28 Source Law

29 Sec. 16. Said board of directors of the hospital  
30 district is authorized on behalf of said hospital  
31 district to accept donations, gifts and endowments for  
32 the hospital district, to be held in trust and  
33 administered by the board of directors for such  
34 purposes and under such directions, limitations and  
35 provisions as may be prescribed in writing by donor,  
36 not inconsistent with proper management and objects of  
37 this hospital district.

1 Revisor's Note

2 Section 16, Chapter 182, Acts of the 60th  
3 Legislature, Regular Session, 1967, refers to  
4 "donations" and "gifts." The revised law omits  
5 "donations" because "donations" is included in the  
6 meaning of "gifts."

7 Revised Law

8 Sec. 1087.106. CONSTRUCTION CONTRACTS. (a) The board may  
9 enter into purchase or construction contracts for the district.

10 (b) The board may enter into a construction contract that  
11 involves the expenditure of more than the amount provided by  
12 Section 271.024, Local Government Code, only after advertising as  
13 provided by Subchapter B, Chapter 271, Local Government Code.  
14 (Acts 60th Leg., R.S., Ch. 182, Sec. 13(c).)

15 Source Law

16 (c) The board may enter into purchase or  
17 construction contracts on behalf of the district;  
18 however, the board may enter into construction  
19 contracts that involve spending more than the amount  
20 provided by Section 271.024, Local Government Code,  
21 only after advertising as provided by Subchapter B,  
22 Chapter 271, Local Government Code.

23 Revised Law

24 Sec. 1087.107. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
25 CARE AND TREATMENT. The board, with the approval of the Upton  
26 County Commissioners Court, may contract with:

27 (1) a county, other than Upton County, for the care and  
28 treatment of a person of that county; and

29 (2) this state or a federal agency for the care and  
30 treatment of a sick or injured person for whom the state or agency  
31 is responsible. (Acts 60th Leg., R.S., Ch. 182, Sec. 4(e) (part).)

32 Source Law

33 (e) The board of directors, with the approval of  
34 the commissioners court, shall be authorized to  
35 contract with any county other than Upton County for  
36 care and treatment of the county's sick, diseased and  
37 injured persons, and with the state and agencies of the  
38 federal government for the care and treatment of such  
39 persons for whom the state and such agencies of the  
40 federal government are responsible. . . .

1 Revisor's Note

2 Section 4, Chapter 182, Acts of the 60th  
3 Legislature, Regular Session, 1967, refers to the  
4 treatment of "sick, diseased and injured persons."  
5 The revised law omits "diseased" because "diseased" is  
6 included in the meaning of "sick."

7 Revised Law

8 Sec. 1087.108. PAYMENT FOR TREATMENT; PROCEDURES. (a)

9 When a patient from the district is admitted to a district facility,  
10 the district administrator shall have an inquiry made into the  
11 circumstances of:

12 (1) the patient; and

13 (2) the patient's relatives legally liable for the  
14 patient's support.

15 (b) If the district administrator determines that the  
16 patient or those relatives cannot pay all or part of the patient's  
17 care and treatment in the hospital, the amount that cannot be paid  
18 becomes a charge against the district.

19 (c) If the district administrator determines that the  
20 patient or those relatives are liable to pay for all or part of the  
21 patient's care and treatment, the patient or those relatives shall  
22 be ordered to pay to the district's treasurer a specified amount  
23 each week for the patient's support. The amount ordered must be  
24 proportionate to the financial ability and may not exceed the  
25 actual per capita cost of maintenance.

26 (d) The district administrator may collect the amount from  
27 the patient's estate, or from those relatives legally liable for  
28 the patient's support, in the manner provided by law for the  
29 collection of expenses of the last illness of a deceased person.

30 (e) If there is a dispute, or doubt in the district  
31 administrator's mind, as to the ability to pay, the board shall hold  
32 a hearing and, after calling witnesses, shall:

33 (1) resolve the dispute or doubt; and

34 (2) issue any appropriate order.

1 (f) Either party to the dispute may appeal the order to the  
2 district court. The appeal is de novo as that term is used in an  
3 appeal from a justice court to a county court. (Acts 60th Leg.,  
4 R.S., Ch. 182, Sec. 15.)

5 Source Law

6 Sec. 15. Whenever a patient has been admitted to  
7 the facilities of the hospital district from the area  
8 of the said hospital district, the administrator shall  
9 cause inquiry to be made as to his circumstances, and  
10 of the relatives of such patient legally liable for his  
11 support. If he finds that such patient or said  
12 relatives are liable to pay for his care and treatment  
13 in whole or in part, an order shall be made directing  
14 such patient or such relative, to pay to the treasurer  
15 of the hospital district for the support of such  
16 patient a specified sum per week, in proportion to the  
17 financial ability, but such sum shall not exceed the  
18 actual per capita cost of maintenance. The  
19 administrator shall have power and authority to  
20 collect such sum from the estate of the patient, or his  
21 relatives legally liable for his support, in the  
22 manner provided by law for the collection of expenses  
23 of the last illness of the deceased person. If the  
24 administrator finds that such patient or said  
25 relatives are not able to pay, either in whole or in  
26 part, for his care and treatment in such hospital the  
27 same shall become a charge upon the hospital district.  
28 Should there be a dispute, as to ability to pay, or  
29 doubt in the mind of the administrator, the board of  
30 directors of said district shall hear and determine  
31 the same after calling witnesses, and shall make such  
32 order as may be proper, from which appeal shall lie to  
33 the district court by either party to the dispute. The  
34 trial on appeal shall be de novo as that term is used in  
35 appeals from the justice courts to the county courts.

36 Revised Law

37 Sec. 1087.109. AUTHORITY TO SUE AND BE SUED. As a  
38 governmental agency, the district may sue and be sued in its own  
39 name in any court of this state. (Acts 60th Leg., R.S., Ch. 182,  
40 Sec. 21 (part).)

41 Source Law

42 Sec. 21. All hospital districts . . . as  
43 governmental agency may sue and be sued in any and all  
44 courts of this state in the name of such district.

45 Revisor's Note  
46 (End of Subchapter)

47 Section 14, Chapter 182, Acts of the 60th  
48 Legislature, Regular Session, 1967, provides  
49 authority for "the State Board of Health or any State  
50 Board of Charities (or Public Welfare)" to inspect

1 hospital district facilities and records. The revised  
2 law omits Section 14 because various state laws,  
3 including Chapters 222 and 241, Health and Safety  
4 Code, provide the necessary inspection authority to  
5 appropriate state agencies. The omitted law reads:

6           Sec. 14. The hospital district  
7 established or maintained under the  
8 provisions of this Act shall be subject to  
9 inspection by any duly authorized  
10 representative of the State Board of Health  
11 or any State Board of Charities (or Public  
12 Welfare) now existing or as may hereafter be  
13 created, and resident officers shall admit  
14 such representatives into all hospital  
15 district facilities and give them access on  
16 demand to all records, reports, books,  
17 papers and accounts pertaining to the  
18 hospital district.

19 [Sections 1087.110-1087.150 reserved for expansion]

20           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

21                           Revised Law

22           Sec. 1087.151. BUDGET. The board annually shall have a  
23 budget prepared for the next fiscal year that includes:

- 24                   (1) proposed expenditures and disbursements;  
25                   (2) estimated receipts and collections; and  
26                   (3) the amount of taxes required to be imposed for the  
27 year. (Acts 60th Leg., R.S., Ch. 182, Sec. 9 (part).)

28                           Source Law

29           Sec. 9. . . .  
30           The board of directors shall each year cause a  
31 budget to be prepared showing the proposed  
32 expenditures and disbursements and the estimated  
33 receipts and collections for the following fiscal year  
34 and . . . . The proposed budget shall also show the  
35 amount of taxes required to be levied and collected  
36 during such fiscal year and . . . .

37                           Revisor's Note

38           Section 9, Chapter 182, Acts of the 60th  
39 Legislature, Regular Session, 1967, refers to the levy  
40 and collection of a tax. The revised law substitutes  
41 "imposed" because "impose" is the term generally used  
42 in Title 1, Tax Code, and includes the levy and  
43 collection of an ad valorem tax.

1 Revised Law

2 Sec. 1087.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)  
3 The board shall hold a public hearing on the proposed budget.

4 (b) Notice of the hearing must be published at least once in  
5 a newspaper of general circulation in Upton County not later than  
6 the 10th day before the date of the hearing.

7 (c) Any district taxpayer is entitled to:

8 (1) appear at the time and place designated in the  
9 notice; and

10 (2) be heard regarding any item included in the  
11 proposed budget. (Acts 60th Leg., R.S., Ch. 182, Sec. 9 (part).)

12 Source Law

13 Sec. 9. . . .

14 The board of directors . . . shall hold a public  
15 hearing on the proposed budget after publication of a  
16 notice of hearing in a newspaper of general  
17 circulation in the county at least once not less than  
18 10 days prior to the date set for the hearing. Any  
19 person who is a taxpayer of the district shall have the  
20 right to appear at the time and place designated in the  
21 notice and be heard with reference to any item shown in  
22 the proposed budget. . . .

23 Revised Law

24 Sec. 1087.153. FISCAL YEAR. The district's fiscal year  
25 begins on October 1 and ends on September 30. (Acts 60th Leg.,  
26 R.S., Ch. 182, Sec. 9 (part).)

27 Source Law

28 Sec. 9. The fiscal year of the hospital district  
29 authorized to be established by the provisions hereof  
30 shall commence on October 1st of each year and end on  
31 the 30th day of September of the following year. . . .

32 Revised Law

33 Sec. 1087.154. ANNUAL AUDIT. (a) The board annually shall  
34 have an independent audit made of the district's books and records  
35 for the preceding fiscal year.

36 (b) Not later than December 31 of each year, the audit shall  
37 be filed:

38 (1) with the county clerk of Upton County; and

39 (2) at the district's office. (Acts 60th Leg., R.S.,  
40 Ch. 182, Sec. 9 (part).)



1 insured by the Federal Deposit Insurance Corporation, the money  
2 must be secured in the manner provided by law for the security of  
3 county funds.

4 (c) Membership on the district's board of an officer or  
5 director of a bank does not disqualify the bank from being  
6 designated as depository. (Acts 60th Leg., R.S., Ch. 182, Sec.  
7 10(a).)

8 Source Law

9 Sec. 10. (a) The board of directors of the  
10 district shall select one or more banks to serve as a  
11 depository for district money. To the extent that  
12 money in a depository bank is not insured by the  
13 Federal Deposit Insurance Corporation, the money must  
14 be secured in the manner provided by law for security  
15 of county funds. Membership on the board of directors  
16 of an officer or director of a bank shall not  
17 disqualify such bank from being designated as  
18 depository.

19 Revised Law

20 Sec. 1087.157. INVESTMENT RESTRICTIONS. The board may  
21 invest operating, depreciation, or building reserves only in funds  
22 or securities specified by Chapter 2256, Government Code. (Acts  
23 60th Leg., R.S., Ch. 182, Sec. 10(b).)

24 Source Law

25 (b) The board may invest operating,  
26 depreciation, or building reserves only in funds or  
27 securities specified by Chapter 2256, Government Code.

28 Revised Law

29 Sec. 1087.158. AUTHORITY TO BORROW MONEY; SECURITY. (a) The  
30 board may borrow money at a rate not to exceed the maximum annual  
31 percentage rate allowed by law for district obligations at the time  
32 the loan is made.

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

34 (1) district revenue that is not pledged to pay the  
35 district's bonded indebtedness;

36 (2) tax revenue to be collected by the district during  
37 the 12-month period following the date of the pledge that is not  
38 pledged to pay the principal of or interest on district bonds; or

39 (3) district bonds that have been authorized but not  
40 sold.

1 (c) A loan for which taxes or bonds are pledged must mature  
2 not later than the first anniversary of the date the loan is made. A  
3 loan for which district revenue is pledged must mature not later  
4 than the fifth anniversary of the date the loan is made. (Acts 60th  
5 Leg., R.S., Ch. 182, Sec. 7A.)

6 Source Law

7 Sec. 7A. (a) The board may borrow money at a  
8 rate not to exceed the maximum annual percentage rate  
9 allowed by law for district obligations at the time the  
10 loan is made.

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

12 (1) district revenue that is not pledged  
13 to pay the district's bonded indebtedness;

14 (2) tax revenue to be collected by the  
15 district during the 12-month period following the date  
16 of the pledge that is not pledged to pay the principal  
17 of or interest on district bonds; or

18 (3) district bonds that have been  
19 authorized but not sold.

20 (c) A loan for which taxes or bonds are pledged  
21 must mature not later than the first anniversary of the  
22 date the loan is made. A loan for which district  
23 revenue is pledged must mature not later than the fifth  
24 anniversary of the date the loan is made.

25 [Sections 1087.159-1087.200 reserved for expansion]

26 SUBCHAPTER E. BONDS

27 Revised Law

28 Sec. 1087.201. GENERAL OBLIGATION BONDS. The board may  
29 issue and sell general obligation bonds in the name and on the faith  
30 and credit of the district for any purpose relating to:

31 (1) the purchase, construction, acquisition, repair,  
32 or renovation of buildings and improvements; and

33 (2) equipping buildings and improvements for hospital  
34 purposes. (Acts 60th Leg., R.S., Ch. 182, Sec. 7(a).)

35 Source Law

36 Sec. 7. (a) The board of directors may issue  
37 and sell as the obligations of such hospital district,  
38 and in the name and upon the faith and credit of such  
39 hospital district, general obligation bonds for the  
40 purchase, construction, acquisition, repair or  
41 renovation of buildings and improvements and equipping  
42 the same for hospital purposes and for any or all of  
43 such purposes.

44 Revised Law

45 Sec. 1087.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
46 the time general obligation bonds are issued by the district, the

1 board shall impose an ad valorem tax at a rate sufficient to create  
2 an interest and sinking fund to pay the principal of and interest on  
3 the bonds as the bonds mature.

4 (b) The tax required by this section together with any other  
5 ad valorem tax imposed for the district may not in any year exceed  
6 75 cents on each \$100 valuation of all taxable property in the  
7 district. (Acts 60th Leg., R.S., Ch. 182, Sec. 7(b).)

8 Source Law

9 (b) At the time general obligation bonds are  
10 issued by the district, the board shall impose an ad  
11 valorem tax at a rate sufficient to create an interest  
12 and sinking fund to pay the principal of and interest  
13 on the bonds as the bonds mature. Such tax together  
14 with any other taxes levied for said district shall not  
15 exceed 75 cents per \$100 valuation of taxable property  
16 in the district in any one year.

17 Revised Law

18 Sec. 1087.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
19 district may issue general obligation bonds only if the bonds are  
20 authorized by a majority of the district voters voting at an  
21 election held for that purpose.

22 (b) The board may call the election on the board's own  
23 motion.

24 (c) The order calling the election must specify:

- 25 (1) the location of the polling places;
- 26 (2) the presiding election officers;
- 27 (3) the purpose of the bond issuance;
- 28 (4) the amount of the bonds to be authorized;
- 29 (5) the maximum interest rate of the bonds; and
- 30 (6) the maximum maturity of the bonds.

31 (d) Notice of a bond election shall be given by publishing a  
32 substantial copy of the order calling the election in a newspaper of  
33 general circulation in the district once each week for two  
34 consecutive weeks before the date of the election. The first  
35 publication must occur at least 20 days before the date of the  
36 election. (Acts 60th Leg., R.S., Ch. 182, Sec. 7(d) (part).)

37 Source Law

38 (d) The district may issue general obligation

1 bonds only if the bonds are authorized by a majority of  
2 the district voters voting at an election held for such  
3 purpose. The board may order the election on its own  
4 motion. The order calling the election must specify  
5 the place or places where the election shall be held,  
6 the presiding officers thereof, the purpose for which  
7 the bonds are to be issued, the amount of the bonds to  
8 be authorized, maximum interest rate, and the maximum  
9 maturity date of such bonds . . . . Notice of election  
10 shall be given by publishing a substantial copy of the  
11 order calling the election in a newspaper of general  
12 circulation in such district once a week for two  
13 consecutive weeks prior to the date of election, the  
14 date of the first publication being at least 20 full  
15 days prior to the date set for the election. . . .

16 Revisor's Note

17 Section 7(d), Chapter 182, Acts of the 60th  
18 Legislature, Regular Session, 1967, requires the  
19 district to pay the costs of elections. The revised  
20 law omits the provision because it duplicates Section  
21 1.014, Election Code, applicable to the district under  
22 Section 1.002 of that code. The omitted law reads:

23 (d) . . . The costs of such election  
24 shall be paid by the hospital district.

25 Revised Law

26 Sec. 1087.204. MATURITY OF GENERAL OBLIGATION BONDS.  
27 District general obligation bonds must mature not later than 40  
28 years after the date of issuance. (Acts 60th Leg., R.S., Ch. 182,  
29 Sec. 7(d) (part).)

30 Source Law

31 (d) [The order calling the election must specify  
32 . . . the maximum maturity date of such bonds] (not to  
33 exceed 40 years from their date of issuance). . . .

34 Revised Law

35 Sec. 1087.205. EXECUTION OF GENERAL OBLIGATION BONDS. The  
36 board's presiding officer shall execute the general obligation  
37 bonds in the district's name, and the board secretary shall  
38 countersign the bonds. (Acts 60th Leg., R.S., Ch. 182, Sec. 7(c).)

39 Source Law

40 (c) The board's presiding officer shall execute  
41 the general obligation bonds in the district's name.  
42 The board secretary shall countersign the bonds.

43 Revised Law

44 Sec. 1087.206. REVENUE BONDS. (a) The board may issue

1 revenue bonds to:

2 (1) purchase, construct, acquire, repair, or renovate  
3 buildings or improvements;

4 (2) equip buildings or improvements for hospital  
5 purposes; or

6 (3) acquire real property for hospital purposes.

7 (b) The bonds must be payable from and secured by a pledge of  
8 all or part of the revenue derived from the operation of the  
9 district's hospital system.

10 (c) The bonds may be additionally secured by a mortgage or  
11 deed of trust lien on all or part of district property.

12 (d) The bonds must be issued in the manner provided by  
13 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
14 Health and Safety Code, for issuance of revenue bonds by a county  
15 hospital authority. (Acts 60th Leg., R.S., Ch. 182, Secs. 7(f),  
16 (g).)

17 Source Law

18 (f) The board may issue revenue bonds to:

19 (1) purchase, construct, acquire, repair,  
20 or renovate buildings or improvements;

21 (2) equip buildings or improvements for  
22 hospital purposes; or

23 (3) acquire real property for hospital  
24 purposes.

25 (g) Revenue bonds must be payable from and  
26 secured by a pledge of all or part of the revenue  
27 derived from the operation of the district's hospital  
28 system. Revenue bonds may be additionally secured by a  
29 mortgage or deed of trust on all or part of district  
30 property. Revenue bonds must be issued in the manner  
31 provided by Sections 264.042, 264.043, 264.046,  
32 264.047, 264.048, and 264.049, Health and Safety Code,  
33 for issuance of revenue bonds by a county hospital  
34 authority.

35 Revised Law

36 Sec. 1087.207. REFUNDING BONDS. (a) The board may, without  
37 an election, issue refunding bonds to refund outstanding bonds  
38 issued or assumed by the district.

39 (b) A refunding bond may be:

40 (1) sold, with the proceeds of the refunding bond  
41 applied to the payment of the bonds to be refunded; or

42 (2) exchanged wholly or partly for not less than a

1 similar amount of outstanding bonds and the unpaid matured interest  
2 on the bonds. (Acts 60th Leg., R.S., Ch. 182, Sec. 7(e).)

3 Source Law

4 (e) The board may, without an election, issue  
5 refunding bonds to refund outstanding bonds issued or  
6 assumed by the district. A refunding bond may be:

7 (1) sold, with the proceeds of the  
8 refunding bond applied to the payment of the bonds to  
9 be refunded; or

10 (2) exchanged wholly or partly for not  
11 less than a similar amount of outstanding bonds and the  
12 unpaid matured interest on the bonds.

13 Revised Law

14 Sec. 1087.208. ADDITIONAL MEANS OF SECURING REPAYMENT OF  
15 BONDS. In addition to the authority to issue general obligation and  
16 revenue bonds under this subchapter, the board may provide for the  
17 security and payment of district bonds from a pledge of a  
18 combination of ad valorem taxes as authorized by Section 1087.202  
19 and revenue and other sources as authorized by Section 1087.206.  
20 (Acts 60th Leg., R.S., Ch. 182, Sec. 7(h).)

21 Source Law

22 (h) In addition to the authority to issue  
23 general obligation and revenue bonds under this  
24 section, the board may provide for the security and  
25 payment of district bonds from a pledge of a  
26 combination of ad valorem taxes as authorized by  
27 Subsection (b) of this section and revenue and other  
28 sources as authorized by Subsection (g) of this  
29 section.

30 Revised Law

31 Sec. 1087.209. USE OF BOND PROCEEDS. The district may use  
32 the proceeds of bonds issued under this subchapter to pay:

33 (1) any expense the board determines is reasonable and  
34 necessary to issue, sell, and deliver the bonds;

35 (2) interest payments on the bonds during a period of  
36 acquisition or construction of a project or facility to be provided  
37 through the bonds, not to exceed five years;

38 (3) costs related to the operation and maintenance of  
39 a project or facility to be provided through the bonds:

40 (A) during an estimated period of acquisition or  
41 construction, not to exceed five years; and

42 (B) for one year after the project or facility is

1 acquired or constructed;

2 (4) costs related to the financing of the bond funds,  
3 including debt service reserve and contingency funds;

4 (5) costs related to the bond issuance;

5 (6) costs related to the acquisition of land or  
6 interests in land for a project or facility to be provided through  
7 the bonds; and

8 (7) construction costs of a project or facility to be  
9 provided through the bonds, including the payment of related  
10 professional services and expenses. (Acts 60th Leg., R.S., Ch.  
11 182, Sec. 7(i).)

12 Source Law

13 (i) The district may use the proceeds of bonds  
14 issued under this section to pay:

15 (1) any expense the board determines is  
16 reasonable and necessary to issue, sell, and deliver  
17 the bonds;

18 (2) interest payments on the bonds during  
19 a period of acquisition or construction of a project or  
20 facility to be provided through the bonds, not to  
21 exceed five years;

22 (3) costs related to the operation and  
23 maintenance of a project or facility to be provided  
24 through the bonds:

25 (A) during an estimated period of  
26 acquisition or construction, not to exceed five years;  
27 and

28 (B) for one year after the project or  
29 facility is acquired or constructed;

30 (4) costs related to the financing of the  
31 bond funds, including debt service reserve and  
32 contingency funds;

33 (5) costs related to the bond issuance;

34 (6) costs related to the acquisition of  
35 land or interests in land for a project or facility to  
36 be provided through the bonds; and

37 (7) construction costs of a project or  
38 facility to be provided through the bonds, including  
39 the payment of related professional services and  
40 expenses.

41 Revisor's Note  
42 (End of Subchapter)

43 (1) Section 8, Chapter 182, Acts of the 60th  
44 Legislature, Regular Session, 1967, provides that  
45 district bonds are legal and authorized investments  
46 for certain entities. The revised law omits the  
47 provision as unnecessary. As to several of the  
48 entities listed, Section 8 has been superseded and

1 impliedly repealed. Investments in securities by  
2 banks are regulated by Section 34.101, Finance Code  
3 (enacted in 1995 as Section 5.101, Texas Banking Act  
4 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
5 Investments in securities by savings banks are  
6 regulated by Section 93.001(c)(10), Finance Code  
7 (enacted in 1993 as Section 7.15(10), Texas Savings  
8 Bank Act (Article 489e, Vernon's Texas Civil  
9 Statutes)). Investments in securities by trust  
10 companies are regulated by Section 184.101, Finance  
11 Code (enacted in 1997 as Section 5.101, Texas Trust  
12 Company Act (Article 342a-5.101, Vernon's Texas Civil  
13 Statutes)). Investments in securities by building and  
14 loan associations (now called savings and loan  
15 associations) are regulated by Sections 63.002 and  
16 64.001, Finance Code. As to the remaining entities  
17 listed, Section 8 is superseded by Section 1201.041,  
18 Government Code, enacted as Section 9, Bond Procedures  
19 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
20 Statutes). Section 1201.041, Government Code, applies  
21 to district bonds by application of Section 1201.002,  
22 Government Code. The revised law omits the reference  
23 to public funds of this state because it has been  
24 superseded by Section 404.024, Government Code  
25 (enacted in 1985 as Section 2.014, Treasury Act  
26 (Article 4393-1, Vernon's Texas Civil Statutes), and  
27 last amended in 2007), which governs the investment of  
28 state funds. Section 404.024(b)(10), Government Code,  
29 authorizes the investment of state funds in  
30 obligations of political subdivisions, including  
31 hospital districts. The omitted law reads:

32           Sec. 8. All bonds issued by the  
33           district authorized to be established and  
34           created under the provisions of this Act  
35           shall be and are declared to be legal and  
36           authorized investments for banks, savings  
37           banks, trust companies, building and loan

1 associations, insurance companies,  
2 fiduciaries, trustees, and for the sinking  
3 funds of cities, towns, villages, counties,  
4 school districts, or other political  
5 corporations or subdivisions of the State  
6 of Texas, and . . . .

7 (2) Section 8, Chapter 182, Acts of the 60th  
8 Legislature, Regular Session, 1967, provides that  
9 district bonds may secure certain deposits. Although  
10 Section 8 does not specifically mention the deposits  
11 the bonds are eligible to secure, the only deposits  
12 they could secure would be deposits of public funds of  
13 this state or political subdivisions of this state. As  
14 such, the revised law omits the provisions as  
15 impliedly repealed by Section 404.0221, Government  
16 Code (enacted in 1995), which lists eligible  
17 collateral for deposits of state funds by the  
18 comptroller, and by Chapter 2257, Government Code  
19 (enacted in 1989 as Article 2529d, Vernon's Texas Civil  
20 Statutes), which governs eligible collateral for  
21 deposits of funds of other public agencies, including  
22 political subdivisions. The omitted law reads:

23 Sec. 8. . . . such bonds shall be  
24 lawful and sufficient security for deposits  
25 to the extent of their face value when  
26 accompanied by all unmatured coupons  
27 appurtenant thereto.

28 [Sections 1087.210-1087.250 reserved for expansion]

29 SUBCHAPTER F. TAXES

30 Revised Law

31 Sec. 1087.251. IMPOSITION OF AD VALOREM TAX. (a) On final  
32 approval of the annual budget, the board shall impose a tax on all  
33 property in the district subject to district taxation.

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

35 (1) pay the interest on and create a sinking fund for  
36 bonds issued or assumed by the district for hospital purposes as  
37 provided by this chapter;

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

1 (3) make improvements and additions to the district's  
2 hospital system; and

3 (4) acquire necessary sites for improvements or  
4 additions by purchase, lease, or condemnation. (Acts 60th Leg.,  
5 R.S., Ch. 182, Secs. 6 (part), 9 (part).)

6 Source Law

7 Sec. 6. Upon the creation of such hospital  
8 district, the board of directors shall have the power  
9 and authority and it shall be their duty to levy on all  
10 property subject to hospital district taxation for the  
11 benefit of the district . . . a tax . . . [of all  
12 taxable property] within the hospital district, for  
13 the purpose of (1) paying the interest on and creating  
14 a sinking fund for bonds which may have been assumed or  
15 which may be issued by the hospital district for  
16 hospital purposes as herein provided; (2) providing  
17 for the operation and maintenance of the hospital or  
18 hospital system; and (3) for the purposes of making  
19 further improvements and additions to the hospital  
20 system, and for the acquisition of necessary sites  
21 therefor, by purchase, lease or condemnation.

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

25 Sec. 9. . . . upon final approval of the  
26 budget, the board of directors shall levy such tax as  
27 may be required and . . . .

28 Revisor's Note

29 (1) Section 6, Chapter 182, Acts of the 60th  
30 Legislature, Regular Session, 1967, provides that  
31 "[u]pon the creation of such hospital district," the  
32 board shall impose taxes. The revised law omits the  
33 quoted language as executed.

34 (2) Section 6, Chapter 182, Acts of the 60th  
35 Legislature, Regular Session, 1967, requires the board  
36 to impose taxes at a certain time and in a certain  
37 manner. The revised law omits those provisions  
38 because they were repealed by Section 6(b), Chapter  
39 841, Acts of the 66th Legislature, Regular Session,  
40 1979, which repealed all "general, local, and special  
41 laws" that conflicted with that act. The 1979 act  
42 enacted the Property Tax Code (Title 1, Tax Code), a  
43 comprehensive, substantive codification of all  
44 property tax law. Title 1, Tax Code, provides the

1 exclusive procedures for the imposition and collection  
2 of property taxes by a taxing unit, including a  
3 hospital district. The omitted law reads:

4 Sec. 6. . . . [the board of directors  
5 shall have the power and authority and it  
6 shall be their duty to levy on all property  
7 subject to hospital district taxation for  
8 the benefit of the District] at the same  
9 time taxes are levied for county purposes,  
10 using county values and county tax rolls,  
11 . . . .

12 Not later than October 1st of each  
13 year, [the board of directors shall levy the  
14 tax . . . . The tax so levied shall be  
15 collected] . . . on the county tax values,  
16 and in the same manner and under the same  
17 conditions as county taxes. . . .

18 (3) Sections 6 and 9, Chapter 182, Acts of the  
19 60th Legislature, Regular Session, 1967, require the  
20 board to levy a tax and to certify the tax rate to the  
21 tax assessor and collector. The revised law omits  
22 those provisions because Section 26.05(a), Tax Code,  
23 requires the governing body of a taxing unit to adopt a  
24 tax rate for the current year and to notify the tax  
25 assessor for the taxing unit of that rate. The omitted  
26 law reads:

27 Sec. 6. . . . [the board of directors  
28 . . .] shall immediately certify such tax  
29 rate to the tax assessor and collector of  
30 the county in which the district is  
31 located. . . .

32 Sec. 9. . . . [the board of directors  
33 shall] . . . certify the tax rate for such  
34 year to the county tax assessor and  
35 collector as provided in Section 6 hereof,  
36 and . . . .

37 Revised Law

38 Sec. 1087.252. TAX RATE. The board may impose the tax at a  
39 rate not to exceed 75 cents on each \$100 valuation of all taxable  
40 property in the district. (Acts 60th Leg., R.S., Ch. 182, Sec. 6  
41 (part).)

42 Source Law

43 Sec. 6. . . . [the board of directors shall  
44 . . . levy . . .] a tax of not to exceed 75 cents on the  
45 \$100 valuation of all taxable property within the  
46 hospital district, . . . .

1 Revised Law

2 Sec. 1087.253. ASSESSMENT AND COLLECTION BY COUNTY TAX  
3 ASSESSOR-COLLECTOR. (a) This section applies unless an election  
4 is held under Section 1087.254.

5 (b) The tax assessor-collector of Upton County shall  
6 collect the taxes imposed on all property subject to district  
7 taxation. (Acts 60th Leg., R.S., Ch. 182, Secs. 6 (part), 9  
8 (part).)

9 Source Law

10 Sec. 6. . . . The tax so levied shall be  
11 collected on all property subject to hospital district  
12 taxation by the assessor and collector of taxes for the  
13 county . . . .

14 Sec. 9. . . . [the county tax assessor and  
15 collector] . . . it shall be the duty of the said tax  
16 assessor and collector to assess and collect such tax.  
17 . . .

18 Revisor's Note

19 (1) Section 6, Chapter 182, Acts of the 60th  
20 Legislature, Regular Session, 1967, provides that the  
21 tax assessor-collector shall charge a fee for the  
22 assessment and collection of district taxes. The  
23 revised law omits that provision because it was  
24 repealed by Section 6(b), Chapter 841, Acts of the 66th  
25 Legislature, Regular Session, 1979. See Revisor's  
26 Note (2) to Section 1087.251. Section 6.27(b), Tax  
27 Code, provides for the compensation of a county tax  
28 assessor-collector assessing and collecting taxes for  
29 another taxing unit. The omitted law reads:

30 Sec. 6. . . . The assessor and  
31 collector of taxes shall charge and deduct  
32 from payments to the hospital district the  
33 fees for assessing and collecting the tax at  
34 the rate of not exceeding five percent of  
35 the amounts collected as may be determined  
36 by the board of directors but in no event in  
37 excess of \$5,000 for any one fiscal year.  
38 Such fees shall be deposited in the county's  
39 general fund, and shall be reported as fees  
40 of office of the tax assessor and collector.  
41 . . .

42 (2) Section 6, Chapter 182, Acts of the 60th  
43 Legislature, Regular Session, 1967, provides that



1 least five percent of the taxpaying voters in the district, the  
2 court may order an election to determine whether the district shall  
3 have a separate tax assessor and separate tax collector for the  
4 assessment and collection of district taxes.

5 (b) Notice of the election shall be given as required by  
6 Section 1087.052. (Acts 60th Leg., R.S., Ch. 182, Sec. 19 (part).)

7 Source Law

8 Sec. 19. After the establishment of a district,  
9 and upon the petition of not less than five percent of  
10 the qualified taxpaying voters thereof the court may  
11 order an election to determine whether or not such  
12 district shall have a separate tax assessor, separate  
13 tax collector and . . . for the assessment and  
14 collection of district taxes. Notice of such election  
15 shall be given as in the original election, and . . . .

16 Revisor's Note

17 Section 19, Chapter 182, Acts of the 60th  
18 Legislature, Regular Session, 1967, refers to a  
19 separate board of equalization for the assessment and  
20 collection of district taxes and requires the board to  
21 exercise the equalization duties. The revised law  
22 omits the reference to a board of equalization because  
23 boards of equalization were abolished and their  
24 functions and duties transferred to appraisal review  
25 boards by the 1979 enactment of the Property Tax Code,  
26 Title 1, Tax Code (Section 1, Chapter 841, Acts of the  
27 66th Legislature, Regular Session, 1979). The omitted  
28 law reads:

29 Sec. 19. . . . [an election to  
30 determine whether or not such district  
31 shall have] . . . separate board of  
32 equalization . . . the directors shall  
33 exercise all of the powers herein conferred  
34 upon said court with relation to the  
35 equalization of taxes, . . . .

36 Revised Law

37 Sec. 1087.255. APPOINTMENT OF SEPARATE TAX ASSESSOR AND  
38 SEPARATE TAX COLLECTOR. If the appointment of a separate tax  
39 assessor and separate tax collector is approved by a two-thirds  
40 majority vote of the district voters voting at an election held  
41 under Section 1087.254, the board shall appoint:

- 1 (1) a suitable person as tax assessor; and  
2 (2) a suitable person as tax collector. (Acts 60th  
3 Leg., R.S., Ch. 182, Sec. 19 (part).)

4 Source Law

5 Sec. 19. . . . [election to determine whether  
6 or not such district shall have a separate tax  
7 assessor, separate tax collector] . . . if said  
8 proposition carries by a two-thirds vote, the said  
9 directors shall appoint a suitable person as assessor  
10 and other such person as collector, and . . . .

11 Revisor's Note

12 (1) Section 19, Chapter 182, Acts of the 60th  
13 Legislature, Regular Session, 1967, establishes the  
14 duties of the separate tax assessor and tax collector  
15 and requires them to give bond. The revised law omits  
16 those provisions because they duplicate the Tax Code.  
17 Section 6.23, Tax Code, specifies the duties of a tax  
18 assessor-collector assessing taxes for a taxing unit,  
19 including the district, and Section 6.29, Tax Code,  
20 specifies that a taxing unit shall require a tax  
21 assessor-collector to give bond. The omitted law  
22 reads:

23 Sec. 19. . . . they shall give bond  
24 and exercise the same powers and perform the  
25 same duties as provided herein for the  
26 county assessor and collector; and . . . .

27 (2) Section 19, Chapter 182, Acts of the 60th  
28 Legislature, Regular Session, 1967, states that  
29 general law shall apply to the assessment, collection,  
30 and equalization of district taxes. The revised law  
31 omits that provision because Title 1, Tax Code,  
32 governs the assessment and collection of all ad  
33 valorem taxes. Section 1.02, Tax Code, requires all  
34 taxing units of government to administer the  
35 assessment and collection of taxes in conformity with  
36 that title. The revised law omits the references to  
37 "equalization" for the reason stated in the revisor's  
38 note to Section 1087.254. The omitted law reads:

1           Sec. 19. . . . the general laws  
2 relating to the assessment, collection and  
3 equalization of taxes, insofar as  
4 applicable, shall apply to the assessment,  
5 collection and equalization of district  
6 taxes.

7                           Revisor's Note  
8                           (End of Subchapter)

9           Section 6, Chapter 182, Acts of the 60th  
10 Legislature, Regular Session, 1967, provides that the  
11 board may impose taxes for the entire year in which the  
12 district is established. The revised law omits the  
13 provision as executed. The omitted law reads:

14           Sec. 6. . . .  
15           The board of directors shall have the  
16 authority to levy the tax aforesaid for the  
17 entire year in which the said hospital  
18 district is established, for the purposes  
19 of securing funds to initiate the operation  
20 of the hospital district, and to pay assumed  
21 bonds.

22                           Revisor's Note  
23                           (End of Chapter)

24           (1) Section 12, Chapter 182, Acts of the 60th  
25 Legislature, Regular Session, 1967, provides for the  
26 transfer of certain land, buildings, and equipment to  
27 the district after the district is created and  
28 provides for the assumption of debt by the district on  
29 creation. The revised law omits the provisions as  
30 executed. The omitted law reads:

31           Sec. 12. All lands, buildings and  
32 equipment that at the time of the creation  
33 of the district which are located within the  
34 boundaries of the district and which were  
35 acquired by Upton County for the purpose of  
36 providing hospital service or care for  
37 patients of such county, shall become the  
38 property of Rankin County Hospital  
39 District, and the Commissioners Court of  
40 Upton County, Texas, shall provide by order  
41 that all property so owned shall be conveyed  
42 to the Rankin County Hospital District in  
43 consideration of the hospital district  
44 assuming all debts and obligations arising  
45 from the acquisition, construction and  
46 operation of such county hospital  
47 facilities. The hospital district, through  
48 its board of directors, shall by resolution  
49 accept said properties and shall assume all  
50 the liabilities and obligations including  
51 bonds and warrants incurred by Upton County  
52 for such hospital purposes.

1           (2) Section 22, Chapter 182, Acts of the 60th  
2           Legislature, Regular Session, 1967, provides that the  
3           act is severable. The revised law omits that provision  
4           because the same result is produced by the application  
5           of Section 311.032, Government Code (Code Construction  
6           Act), which provides that a provision of a statute is  
7           severable from each other provision of the statute  
8           that can be given effect. The omitted law reads:

9                    Sec. 22. If any word, phrase,  
10                   sentence, section, portion or provision of  
11                   this Act or the application thereof to any  
12                   person or circumstance shall be held to be  
13                   invalid or unconstitutional, the remainder  
14                   of this Act, and the application of such  
15                   word, phrase, sentence, section, portion or  
16                   provision to other persons or  
17                   circumstances, shall not be affected  
18                   thereby. In the event any of the provisions  
19                   hereof shall be in conflict with any other  
20                   law of this state, the provisions of this  
21                   Act shall prevail.

22           (3) Section 23, Chapter 182, Acts of the 60th  
23           Legislature, Regular Session, 1967, provides that  
24           public notice of the enactment of the statute was  
25           provided in a manner that satisfies the requirements  
26           of the Texas Constitution. The revised law omits that  
27           section as executed. The omitted law reads:

28                    Sec. 23. The Legislature hereby  
29                   finds affirmatively that 30 days' public  
30                   notice was duly given in accordance with the  
31                   provisions of Article IX, Section 9, of the  
32                   Constitution of the State of Texas, of the  
33                   intention to apply to this Legislature to  
34                   enact a law providing for the creation,  
35                   establishment, maintenance and operation of  
36                   the hospital district herein provided for.

37           CHAPTER 1096. SOUTH LIMESTONE HOSPITAL DISTRICT

38                    SUBCHAPTER A. GENERAL PROVISIONS

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21                   CHAPTER 1096. SOUTH LIMESTONE HOSPITAL DISTRICT

22                   SUBCHAPTER A. GENERAL PROVISIONS

23                   Revised Law

24           Sec. 1096.001. DEFINITIONS. In this chapter:

- 25                   (1) "Board" means the board of directors of the
- 26   district.
- 27                   (2) "Director" means a member of the board.
- 28                   (3) "District" means the South Limestone Hospital
- 29   District. (New.)

30                   Revisor's Note

31           The definitions of "board," "director," and

32   "district" are added to the revised law for drafting

33   convenience and to eliminate frequent, unnecessary

34   repetition of the substance of the definitions.

1 Revised Law

2 Sec. 1096.002. AUTHORITY FOR CREATION. The South Limestone  
3 Hospital District is created under the authority of Section 9,  
4 Article IX, Texas Constitution, and has the rights, powers, and  
5 duties provided by this chapter. (Acts 61st Leg., R.S., Ch. 638,  
6 Secs. 1, 2 (part).)

7 Source Law

8 Sec. 1. Pursuant to authority granted by the  
9 provisions of Section 9 of Article IX of the  
10 Constitution of the State of Texas, South Limestone  
11 Hospital District is hereby authorized to be created.

12 Sec. 2. Said Hospital District, also  
13 denominated as the Authority, . . . shall . . .  
14 possess such rights, powers and duties as are  
15 hereinafter described.

16 Revisor's Note

17 Section 2, Chapter 638, Acts of the 61st  
18 Legislature, Regular Session, 1969, provides that the  
19 South Limestone Hospital District may also be  
20 "denominated as the Authority." Throughout Chapter  
21 638, "district" and "authority" are used  
22 interchangeably to describe the district. For  
23 consistency throughout this chapter, the revised law  
24 substitutes "district" for "authority" unless the  
25 context indicates that "authority" does not refer to  
26 the South Limestone Hospital District.

27 Revised Law

28 Sec. 1096.003. DISTRICT TERRITORY. The boundaries of the  
29 district are coextensive with the boundaries of the Groesbeck  
30 Independent School District as those boundaries existed on January  
31 1, 1969. (Acts 61st Leg., R.S., Ch. 638, Sec. 2 (part).)

32 Source Law

33 Sec. 2. Said Hospital District, . . . as  
34 created shall have boundaries coextensive with the  
35 boundaries of the Groesbeck Independent School  
36 District as it existed on January 1st, 1969, and  
37 . . . .

38 Revisor's Note

39 Section 2, Chapter 638, Acts of the 61st  
40 Legislature, Regular Session, 1969, refers to the

1 boundaries of the Groesbeck Independent School  
2 District as "it existed on January 1st, 1969." The  
3 revised law substitutes "those boundaries existed on  
4 January 1, 1969" for the quoted language because it is  
5 clear from the context that the reference refers to the  
6 boundaries of the Groesbeck Independent School  
7 District in existence on that date instead of to the  
8 district itself.

9 Revised Law

10 Sec. 1096.004. CORRECTION OF INVALID PROCEDURES. If a  
11 court holds that any procedure under this chapter violates the  
12 constitution of this state or of the United States, the district by  
13 resolution may provide an alternative procedure that conforms with  
14 the constitution. (Acts 61st Leg., R.S., Ch. 638, Sec. 28 (part).)

15 Source Law

16 Sec. 28. . . . Federal or State Constitution  
17 . . . . Where any procedure hereunder may be held by  
18 any court to be violative of either of such  
19 constitutions, the District shall have the power by  
20 resolution to provide an alternative procedure  
21 conformable with such constitutions. . . .

22 Revisor's Note

23 Section 28, Chapter 638, Acts of the 61st  
24 Legislature, Regular Session, 1969, provides that the  
25 act may not be construed to violate the federal or  
26 state constitution and requires that action under the  
27 act comply with the constitutions. The revised law  
28 omits the reference to the federal constitution  
29 because, under the Supremacy Clause of the United  
30 States Constitution (Clause 2, Article VI), federal  
31 law always takes precedence over a state statute. The  
32 revised law also omits the reference to the state  
33 constitution because the state legislature cannot  
34 modify constitutional requirements by statute. The  
35 omitted law reads:

36 Sec. 28. Nothing in this Act shall be  
37 construed to violate any provision of the  
38 Federal or State Constitution, and all

1 things done under this Act shall be in such  
2 manner as will conform thereto, whether  
3 expressly so provided or not. . . .

4 Revised Law

5 Sec. 1096.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
6 OBLIGATION. The support and maintenance of the district's hospital  
7 system and any indebtedness incurred by the district under this  
8 chapter may not become a charge against or obligation of this state.  
9 (Acts 61st Leg., R.S., Ch. 638, Sec. 26 (part).)

10 Source Law

11 Sec. 26. The support and maintenance of the  
12 hospital system of the district and any indebtedness  
13 incurred by the district under this Act shall never  
14 become a charge against nor an obligation of the State  
15 of Texas, . . . .

16 Revised Law

17 Sec. 1096.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
18 The legislature may not make a direct appropriation for the  
19 construction, maintenance, or improvement of a district facility.  
20 (Acts 61st Leg., R.S., Ch. 638, Sec. 26 (part).)

21 Source Law

22 Sec. 26. . . . nor shall any direct  
23 appropriation be made by the Legislature of the State  
24 of Texas for the construction, maintenance or  
25 improvement of any of the facilities of the district.

26 Revisor's Note  
27 (End of Subchapter)

28 (1) Sections 4 and 6, Chapter 638, Acts of the  
29 61st Legislature, Regular Session, 1969, provide  
30 procedures for holding an election on the creation of  
31 the district and the imposition of an ad valorem tax.  
32 Because the election has been held, the revised law  
33 omits as executed Section 6 and the relevant  
34 provisions of Section 4. The omitted law reads:

35 Sec. 4. (a) The District shall not  
36 be created, nor shall any tax therein be  
37 authorized unless and until such creation  
38 and such tax are approved by a majority of  
39 the qualified property taxpaying electors  
40 of the District voting at an election called  
41 for such purpose. Such election may be  
42 called by a majority of the temporary or  
43 provisional directors or shall be called by  
44 the temporary or provisional directors upon  
45 presentation of a petition therefor signed

1 by at least 100 qualified taxpaying  
2 electors of the area of the proposed  
3 district. Such election shall be called,  
4 set and held not less than twenty nor more  
5 than ninety days from the date the election  
6 is ordered.

7 (b) The order calling the election  
8 shall specify the date, places of holding  
9 the election, the form of the ballot, the  
10 presiding judge and alternate judge for  
11 each voting place and provide for clerks as  
12 in county elections.

13 (c) Notice of election shall be given  
14 by publication of a substantial copy of the  
15 election order in a newspaper of general  
16 circulation in the county once a week for  
17 two consecutive weeks, the first  
18 publication to appear at least twenty days  
19 prior to the date established for the  
20 election.

21 (d) . . . A copy of the results are to  
22 be filed with the county clerk and become of  
23 public record.

24 (e) At the election, the qualified  
25 property taxpaying electors shall vote  
26 whether or not the proposed hospital  
27 district is to be created. A majority of  
28 the qualified property taxpaying electors  
29 must approve the creation of the district.

30 (f) The ballots shall be printed to  
31 allow for voting for or against the  
32 proposition:

33 "The creation of the South Limestone  
34 Hospital District in Limestone County."

35 (g) If a majority of the persons  
36 voting in the election vote for the creation  
37 of the district, the temporary or  
38 provisional directors shall, within ten  
39 days after the results are filed, declare  
40 the results and order the district created.  
41 A copy of this order shall be placed in the  
42 minutes of the district and filed in the  
43 deed records of Limestone County, Texas.

44 (h) If a majority of the persons  
45 voting at the election vote against the  
46 creation of the district, this does not  
47 prevent the holding of other elections for  
48 the same purpose.

49 Sec. 6. (a) At the time of the  
50 election to create the district the  
51 temporary or provisional directors shall  
52 order an election to determine whether the  
53 district may levy taxes within the  
54 district. This tax may not exceed  
55 thirty-eight (38) cents on the \$100  
56 valuation of all taxable property within  
57 the district.

58 (b) Prior to this election, notice  
59 must be given by the board of directors in  
60 the same manner provided in Section 4 of  
61 this Act. The presiding judge of each  
62 voting place shall certify the results to  
63 the board of directors which shall declare  
64 the results. The results are to be of  
65 public record.

66 (c) The ballots shall be printed to  
67 allow for voting for or against the  
68 proposition:

1           "The levy of a tax not to exceed  
2 thirty-eight (38) cents on the \$100  
3 valuation on all property subject to  
4 taxation within the district."

5           (d) The board of directors shall not  
6 levy any tax within the district until a  
7 majority of the qualified property  
8 taxpaying electors voting in the election  
9 vote for the levy of the tax.

10           (e) If a majority of persons voting  
11 at the election vote against the tax levy  
12 this does not prevent the holding of other  
13 elections for the same purpose.

14           (2) Section 4(d), Chapter 638, Acts of the 61st  
15 Legislature, Regular Session, 1969, provides that the  
16 presiding judge of each voting place shall count the  
17 votes and certify the results to the temporary or  
18 provisional directors within 10 days. The revised law  
19 omits those requirements as superseded by Sections  
20 67.002, 67.003, and 67.004, Election Code (enacted as  
21 Section 1, Chapter 211, Acts of the 69th Legislature,  
22 Regular Session, 1985), which require the governing  
23 body of a political subdivision that orders an  
24 election to canvass the returns and provide the time  
25 frame and procedures for the canvass. The omitted law  
26 reads:

27           (d) The presiding judge of each  
28 voting place shall supervise the counting  
29 of all votes cast and shall certify the  
30 results to the temporary or provisional  
31 directors within ten days after the  
32 election. . . .

33           [Sections 1096.007-1096.050 reserved for expansion]

34           SUBCHAPTER B. DISTRICT ADMINISTRATION

35                           Revised Law

36           Sec. 1096.051. BOARD ELECTION; TERM. (a) The district is  
37 governed by a board of seven directors elected from the district at  
38 large.

39           (b) Each even-numbered year, on the May uniform election  
40 date or another date authorized by law, the appropriate number of  
41 directors shall be elected.

42           (c) Directors serve staggered four-year terms. (Acts 61st  
43 Leg., R.S., Ch. 638, Secs. 5(a), (e).)



1 amended by Chapter 1318, Acts of the 82nd Legislature,  
2 Regular Session, 2011, that could result in the  
3 election being held on a date other than the uniform  
4 election date in May.

5 (2) Section 5(h), Chapter 638, Acts of the 61st  
6 Legislature, Regular Session, 1969, provides that a  
7 director holds office for the director's term and until  
8 the director's successor qualifies. The revised law  
9 omits that provision because it duplicates Section 17,  
10 Article XVI, Texas Constitution, which provides that  
11 an officer in this state is to continue to perform the  
12 officer's official duties until a successor has  
13 qualified. The omitted law reads:

14 (h) A director holds office for his  
15 term and until his successor qualifies.

16 Revised Law

17 Sec. 1096.052. QUALIFICATIONS FOR OFFICE. (a) To qualify  
18 for election to the board, a person must:

- 19 (1) be at least 18 years of age;  
20 (2) have been a resident of the district for at least  
21 two years; and  
22 (3) be a qualified property tax paying voter of the  
23 district.

24 (b) A person may not serve as a director if the person:

- 25 (1) is a district employee;  
26 (2) was a district employee at any time during the two  
27 years preceding the date of the election; or  
28 (3) receives compensation under a contract with the  
29 district. (Acts 61st Leg., R.S., Ch. 638, Secs. 5(f), (j).)

30 Source Law

31 (f) To qualify for election to the board, a  
32 person must:

- 33 (1) be at least 21 years of age;  
34 (2) have been a resident of the district  
35 for at least two years;  
36 (3) be a qualified property taxpaying  
37 elector of the district.

38 (j) A person may not serve as a director if the

1 person:

2 (1) receives compensation under a contract  
3 with the district; or

4 (2) is a district employee or was a  
5 district employee at any time during the two years  
6 preceding the date of the election.

7 Revisor's Note

8 (1) Section 5(f), Chapter 638, Acts of the 61st  
9 Legislature, Regular Session, 1969, provides that a  
10 person "must be at least 21 years of age" to qualify  
11 for election as a director. The revised law  
12 substitutes "18" for "21" because Section 129.001,  
13 Civil Practice and Remedies Code, establishes 18 years  
14 as the age of majority in this state. Section 129.002,  
15 Civil Practice and Remedies Code, provides that a law  
16 adopted before August 27, 1973, that extends a right,  
17 privilege, or obligation to an individual on the basis  
18 of a minimum age of 19, 20, or 21 years shall be  
19 interpreted as prescribing a minimum age of 18 years.  
20 Section 5(f) was enacted in 1969 and has not been  
21 amended.

22 (2) Section 5(f), Chapter 638, Acts of the 61st  
23 Legislature, Regular Session, 1969, refers to an  
24 "elector." The revised law substitutes "voter" for  
25 "elector" because "voter" is the term used in the  
26 Election Code.

27 Revised Law

28 Sec. 1096.053. BOND; RECORD OF BOND AND OATH. (a) Each  
29 director shall qualify by executing a good and sufficient bond for  
30 \$1,000 that is:

31 (1) payable to the district; and

32 (2) conditioned on the faithful performance of the  
33 director's duties.

34 (b) The district shall pay for the directors' bonds.

35 (c) Each director's bond and constitutional oath of office  
36 shall be deposited with the district's depository bank for  
37 safekeeping. (Acts 61st Leg., R.S., Ch. 638, Sec. 5(b).)





1 Revised Law

2 Sec. 1096.059. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

3 Except as provided by Section 1096.053, the board shall:

4 (1) maintain all district records, including books,  
5 accounts, notices, minutes, and other matters of the district and  
6 its operation, at the district office; and

7 (2) make those records available for public inspection  
8 at reasonable times. (Acts 61st Leg., R.S., Ch. 638, Sec. 20(b).)

9 Source Law

10 (b) The Board shall keep all books, records,  
11 accounts, notices, minutes, and other matters of the  
12 district and its operation at the office of the  
13 district. The board shall make these items available  
14 for public inspection at reasonable times.

15 Revisor's Note

16 Section 20(b), Chapter 638, Acts of the 61st  
17 Legislature, Regular Session, 1969, requires the  
18 district to maintain all district records at the  
19 district office and make the records available for  
20 public inspection. For the convenience of the reader,  
21 the revised law adds a cross-reference to Section  
22 1096.053 of this chapter because that section provides  
23 an exception to the requirement that all district  
24 records be stored at the district office.

25 Revised Law

26 Sec. 1096.060. RECRUITMENT OF MEDICAL STAFF. The board may  
27 spend district money to recruit physicians, nurses, and other  
28 trained medical personnel. The board may pay the tuition or other  
29 education-related costs or expenses of a person who:

30 (1) graduates from a medical school, a nursing school,  
31 or an institution of higher education; and

32 (2) contractually agrees to become a district  
33 employee. (Acts 61st Leg., R.S., Ch. 638, Sec. 20(h) (part).)

34 Source Law

35 (h) The board may spend district funds to:

36 (1) recruit physicians, nurses, or other  
37 trained medical personnel and, in connection with  
38 recruitment, may pay a person's tuition or other

1 education-related costs or expenses if the person  
2 contractually agrees to become an employee of the  
3 district after graduation from a medical or nursing  
4 school or an institution of higher education; or  
5 . . .

6 Revised Law

7 Sec. 1096.061. CONTINUING EDUCATION; RETRAINING. The board  
8 may spend district money for the continuing education and  
9 retraining of district employees. (Acts 61st Leg., R.S., Ch. 638,  
10 Sec. 20(h) (part).)

11 Source Law

12 (h) The board may spend district funds to:

13 . . .  
14 (2) provide for the continuing education  
15 and retraining of district employees.

16 Revisor's Note  
17 (End of Subchapter)

18 Section 5(g), Chapter 638, Acts of the 61st  
19 Legislature, Regular Session, 1969, states that a  
20 person must file the person's name with the board of  
21 directors to be a candidate for director and  
22 prescribes a deadline for the filing. The revised law  
23 omits the requirement for the person to file the  
24 person's name with the board of directors because it is  
25 superseded by Section 144.004, Election Code, which  
26 provides that an application for a place on the ballot  
27 must be filed with the secretary of the political  
28 subdivision's governing body. The revised law omits  
29 the filing deadline because it is superseded by  
30 Section 144.005, Election Code. Section 1.002,  
31 Election Code, provides that the Election Code applies  
32 to all elections held in this state. The omitted law  
33 reads:

34 (g) Any person who is qualified to  
35 serve on the board of directors and who  
36 desires to serve shall file his name with  
37 the board of directors at least two weeks  
38 before the date of the election.

39 [Sections 1096.062-1096.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Revised Law

3 Sec. 1096.101. DISTRICT RESPONSIBILITY. The district shall  
4 provide all necessary hospital and medical care for the district's  
5 needy inhabitants. (Acts 61st Leg., R.S., Ch. 638, Sec. 3 (part).)

6 Source Law

7 Sec. 3. . . . This District shall provide all  
8 necessary hospital and medical care for the needy  
9 inhabitants of the district.

10 Revised Law

11 Sec. 1096.102. RESTRICTION ON POLITICAL SUBDIVISION  
12 TAXATION AND DEBT. A political subdivision of this state, other  
13 than the district, may not impose a tax or issue bonds or other  
14 obligations to provide hospital service or medical care in the  
15 district. (Acts 61st Leg., R.S., Ch. 638, Sec. 3 (part).)

16 Source Law

17 Sec. 3. . . . After this District is created as  
18 provided by Section 4 of this Act, no other  
19 municipality or political subdivision of this State  
20 may levy taxes or issue bonds or other obligations of  
21 indebtedness for the purpose of providing hospital  
22 service or medical care within the district. . . .

23 Revisor's Note

24 (1) Section 3, Chapter 638, Acts of the 61st  
25 Legislature, Regular Session, 1969, provides that  
26 "[a]fter this District is created as provided by  
27 Section 4 of this Act," certain political subdivisions  
28 may not levy taxes or issue bonds. The revised law  
29 omits the quoted language as executed. In addition,  
30 throughout this chapter, the revised law substitutes  
31 "impose" for "levy" because, in the context of  
32 taxation, the terms are synonymous and "impose" is  
33 more commonly used.

34 (2) Section 3, Chapter 638, Acts of the 61st  
35 Legislature, Regular Session, 1969, refers to a  
36 "municipality or political subdivision." The revised  
37 law omits the reference to "municipality" when used in  
38 conjunction with "political subdivision" because

1 "municipality" is included in the meaning of  
2 "political subdivision."

3 Revised Law

4 Sec. 1096.103. MANAGEMENT AND CONTROL OF DISTRICT. The  
5 board has full power to manage and control the district. (Acts 61st  
6 Leg., R.S., Ch. 638, Sec. 20(a) (part).)

7 Source Law

8 Sec. 20. (a) The Board of Directors has full  
9 power to manage and control the district. . . .

10 Revised Law

11 Sec. 1096.104. HOSPITAL SYSTEM. The district has the  
12 responsibility to establish a hospital or hospital system within  
13 its boundaries to provide hospital and medical care to the  
14 district's residents. (Acts 61st Leg., R.S., Ch. 638, Sec. 3  
15 (part).)

16 Source Law

17 Sec. 3. The District authorized to be created by  
18 this Act is charged with the responsibility of  
19 establishing a hospital or a hospital system within  
20 its boundaries to furnish hospital and medical care to  
21 the residents of the district. . . .

22 Revised Law

23 Sec. 1096.105. RULES. (a) The board shall adopt rules for  
24 the efficient operation of the district, including district  
25 facilities.

26 (b) The board shall:

27 (1) publish the rules in book form; and

28 (2) provide copies to interested persons on request at  
29 district expense. (Acts 61st Leg., R.S., Ch. 638, Sec. 20(c).)

30 Source Law

31 (c) The board shall adopt rules for the  
32 efficient operation of the district and its facilities  
33 which are not inconsistent with this Act. The board  
34 shall publish these rules and regulations in book form  
35 and furnish copies to interested persons upon request  
36 and at the expense of the district.

37 Revisor's Note

38 (1) Section 20(c), Chapter 638, Acts of the 61st  
39 Legislature, Regular Session, 1969, provides that the

1 board shall adopt rules that "are not inconsistent  
2 with this Act." The revised law omits the quoted  
3 language because, under established principles of law,  
4 the board is not authorized to take any action contrary  
5 to the laws of this state.

6 (2) Section 20(c), Chapter 638, Acts of the 61st  
7 Legislature, Regular Session, 1969, refers to "rules  
8 and regulations." The revised law omits the reference  
9 to "regulations" because under Section 311.005(5),  
10 Government Code (Code Construction Act), a rule is  
11 defined to include a regulation.

12 Revised Law

13 Sec. 1096.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
14 board may prescribe the method of making purchases and expenditures  
15 and the manner of accounting and control used by the district.  
16 (Acts 61st Leg., R.S., Ch. 638, Sec. 20(e) (part).)

17 Source Law

18 (e) The board may  
19 (1) prescribe the method of making  
20 purchases and expenditures and the manner of  
21 accounting and control used by the district;  
22 . . .

23 Revised Law

24 Sec. 1096.107. EMINENT DOMAIN. (a) To carry out a power  
25 provided by this chapter, the district may exercise the power of  
26 eminent domain to acquire the fee simple title to land and other  
27 property and easements.

28 (b) The district must exercise the power of eminent domain  
29 in the manner provided by Chapter 21, Property Code.

30 (c) In a condemnation proceeding, the district is not  
31 required to:

32 (1) pay in advance or provide a bond or other security  
33 for costs in the trial court;

34 (2) provide a bond for costs or a supersedeas bond on  
35 an appeal or petition for review; or

36 (3) deposit in the trial court money or a bond as

1 provided by Section 21.021(a), Property Code.

2 (d) The district is a municipal corporation for the purposes  
3 of Chapter 21, Property Code.

4 (e) The board shall determine the amount and the type of  
5 interest in land, other property, or easements to be acquired.  
6 (Acts 61st Leg., R.S., Ch. 638, Secs. 17, 23.)

7 Source Law

8 Sec. 17. For the purpose of carrying out any  
9 power conferred by this Act, Authority shall have the  
10 right to acquire the fee simple title to land and other  
11 property and easements by condemnation in the manner  
12 provided by Title 52, Revised Civil Statutes as  
13 amended, relating to eminent domain. Authority is  
14 hereby declared to be a municipal corporation within  
15 the meaning of Article 3268 of said Title 52. The  
16 amount of and character or interest in land, other  
17 property and easements thus to be acquired shall be  
18 determined by the Board of Directors.

19 Sec. 23. The district is not required to pay in  
20 advance or to give any bond or other security for costs  
21 in the trial court otherwise required for the issuance  
22 relating to a condemnation proceeding, nor is it  
23 required to give a bond for costs or for supersedeas on  
24 an appeal or writ of error proceeding to a Court of  
25 Civil Appeals or to the Supreme Court. The district is  
26 not required to make deposits in the registry of the  
27 trial court or to post bond as required by Paragraph 2,  
28 Article 3268, Revised Civil Statutes of Texas, 1925,  
29 as amended in condemnation proceedings.

30 Revisor's Note

31 (1) Section 17, Chapter 638, Acts of the 61st  
32 Legislature, Regular Session, 1969, provides that the  
33 "Authority shall have the right to acquire [certain  
34 property and easements] by condemnation." The revised  
35 law substitutes for the quoted language "the district  
36 may exercise the power of eminent domain to acquire  
37 [certain property and easements]" because the phrases  
38 have the same meaning and the latter is consistent with  
39 modern usage in laws relating to eminent domain.

40 (2) Section 17, Chapter 638, Acts of the 61st  
41 Legislature, Regular Session, 1969, refers to Title  
42 52, Revised Civil Statutes as amended. That statute  
43 was codified as Chapter 21, Property Code. The revised  
44 law is drafted accordingly. The revised law omits the

1 reference to "as amended" because under Section  
2 311.027, Government Code (Code Construction Act), a  
3 reference to a statute applies to all reenactments,  
4 revisions, or amendments of that statute unless  
5 expressly provided otherwise.

6 (3) Section 23, Chapter 638, Acts of the 61st  
7 Legislature, Regular Session, 1969, refers to  
8 "Paragraph 2, Article 3268, Revised Civil Statutes of  
9 Texas, 1925, as amended." That statute was codified in  
10 1983 as Section 21.021(a), Property Code, and the  
11 revised law is drafted accordingly. In addition, the  
12 revised law omits the reference to "as amended" for the  
13 reason stated in Revisor's Note (2).

14 (4) Section 23, Chapter 638, Acts of the 61st  
15 Legislature, Regular Session, 1969, provides that the  
16 district is not required to provide a bond on an appeal  
17 or writ of error proceeding to "a Court of Civil  
18 Appeals or to the Supreme Court." The revised law  
19 substitutes "petition for review" for "writ of error"  
20 because, effective September 1, 1997, the Texas  
21 Supreme Court replaced the writ of error procedure  
22 with the petition for review procedure. See Rule 53.1,  
23 Texas Rules of Appellate Procedure. The revised law  
24 omits the references to the court of civil appeals (now  
25 the court of appeals) and the supreme court because the  
26 courts of appeals and the supreme court are the only  
27 courts to which the district may appeal or with which  
28 the district may file a petition for review.

29 Revised Law

30 Sec. 1096.108. GIFTS AND ENDOWMENTS. The board may accept a  
31 gift or endowment to be held and administered as required by the  
32 respective donor, to the extent that those requirements do not  
33 contravene law. (Acts 61st Leg., R.S., Ch. 638, Sec. 19.)



1 Revised Law

2 Sec. 1096.111. OPERATION OF HOSPITAL; RATES CHARGED;  
3 RESERVE FUNDS. (a) The district shall operate a hospital without  
4 the intervention of private profit for the use and benefit of the  
5 public.

6 (b) The board shall charge sufficient rates for services  
7 provided by the hospital and use other sources of district revenue  
8 that will produce an amount sufficient to:

9 (1) pay all expenses in connection with the ownership,  
10 operation, and upkeep of the hospital;

11 (2) pay the interest on the bonds as it becomes due;

12 (3) create a sinking fund to pay the bonds as they  
13 become due; and

14 (4) create and maintain a bond reserve fund and other  
15 funds as provided in the bond resolution or trust indenture.

16 (c) The bond resolution or trust indenture may prescribe  
17 systems, methods, routines, and procedures needed for the operation  
18 of the hospital. (Acts 61st Leg., R.S., Ch. 638, Sec. 15.)

19 Source Law

20 Sec. 15. The hospital shall be operated without  
21 the intervention of private profit for the use and  
22 benefit of the public. But it shall be the duty of the  
23 Board of Directors to charge sufficient rates for  
24 services rendered by the hospital and to utilize other  
25 sources of its revenues that revenues will be produced  
26 sufficient to pay all expenses in connection with the  
27 ownership, operation and upkeep of the hospital, to  
28 pay the interest on the bonds as it becomes due, to  
29 create a sinking fund to pay the bonds as they become  
30 due, and to create and maintain a bond reserve fund and  
31 other funds as provided in the Bond Resolution or Trust  
32 Indenture. The Bond Resolution or Trust Indenture may  
33 prescribe systems, methods, routines and procedures  
34 under or in accordance with which the hospital shall be  
35 operated.

36 Revised Law

37 Sec. 1096.112. PAYMENT FOR TREATMENT; PROCEDURES. (a) A  
38 person who resides in the district is entitled to receive necessary  
39 medical and hospital care regardless of whether the person has the  
40 ability to pay for the care and may apply to receive this care  
41 without cost.

42 (b) The board or the district administrator shall employ a

1 person to investigate the ability of the patient and any relative  
2 liable for the patient's support to pay for the medical and hospital  
3 care received by the patient.

4 (c) If the investigator finds that neither the patient nor  
5 those relatives can pay for all or part of the patient's care, the  
6 expense of that care becomes a charge against the district.

7 (d) If the patient or those relatives can pay for all or part  
8 of the costs of the patient's care, the board shall order the  
9 patient or those relatives to pay to the district treasurer each  
10 week an amount specified in the order. The amount must be  
11 proportionate to the person's ability to pay.

12 (e) The district may collect the amount from the patient's  
13 estate, or from any relative liable for the patient's support, in  
14 the manner provided by law for the collection of expenses of the  
15 last illness of a deceased person.

16 (f) If there is a dispute as to the ability to pay, or doubt  
17 in the mind of the investigator, the board shall hold a hearing and,  
18 after calling witnesses, shall:

- 19 (1) determine the question; and  
20 (2) make the proper order based on the board's  
21 findings.

22 (g) A party to the hearing who is not satisfied with the  
23 result of the order may appeal to the district court. The appeal is  
24 de novo. (Acts 61st Leg., R.S., Ch. 638, Sec. 22.)

25 Source Law

26 Sec. 22. (a) A person who resides within the  
27 district is entitled to receive necessary medical and  
28 hospital care whether he has the ability to pay for the  
29 care or not. A person who resides within the district  
30 may make application to receive this care without  
31 cost.

32 (b) The board or the administrator shall employ  
33 a person to investigate the ability of the patient and  
34 the ability of any relative who is liable for the  
35 support of the patient to pay for the medical and  
36 hospital care which the patient receives.

37 (c) If the patient or a relative of the patient  
38 who is legally liable for his support is able to pay  
39 for this care in whole or in part, the board shall  
40 order the patient or his relatives to pay the treasurer  
41 each week an amount specified in the order. The amount  
42 must be in proportion to the ability to pay.

43 (d) The district may collect this amount from

1 the estate of the patient, or from his relatives who  
2 are liable for this support, in the manner provided by  
3 law for the collection of expenses of the last illness  
4 of a deceased person.

5 (e) If the investigator finds that neither the  
6 patient, nor a relative who is legally liable for his  
7 support, is able to pay in whole or in part for this  
8 care the expense of this care becomes a charge on the  
9 district.

10 (f) If there is a dispute as to the ability to  
11 pay, or a doubt in the mind of the investigator, the  
12 board shall hear and determine the question, after  
13 calling witnesses, and make the proper order based on  
14 its findings.

15 (g) A party to the hearing who is not satisfied  
16 with the result of the order, may appeal to the  
17 district court. The appeal is de novo.

18 Revisor's Note  
19 (End of Subchapter)

20 (1) Section 20(a), Chapter 638, Acts of the 61st  
21 Legislature, Regular Session, 1969, states that a  
22 provision of that chapter that provides a specific  
23 power or duty does not limit the district's general  
24 authority to carry out the purposes of the act. The  
25 revised law omits that provision because it is a  
26 generally accepted principle of statutory  
27 interpretation that all of a statute is intended to be  
28 given effect and that specific grants of power do not  
29 limit more general grants of power. Additionally,  
30 Section 311.021(2), Government Code (Code  
31 Construction Act), provides that an entire statute is  
32 intended to be effective. The omitted law reads:

33 (a) . . . Any provision of this Act  
34 which provides a specific power or duty does  
35 not limit the general authority of the  
36 district to carry out the purposes of this  
37 Act.

38 (2) Section 25, Chapter 638, Acts of the 61st  
39 Legislature, Regular Session, 1969, provides  
40 authority for the "State Board of Health, the State  
41 Board of Public Welfare, or any other state agency  
42 created for a similar purpose" to inspect hospital  
43 district facilities and records. The revised law  
44 omits Section 25 because various state laws, including  
45 Chapters 222 and 241, Health and Safety Code, provide

1 the necessary inspection authority to appropriate  
2 state agencies. The omitted law reads:

3 Sec. 25. (a) The district is  
4 subject to inspection at a time by an  
5 authorized representative of the State  
6 Board of Health, the State Board of Public  
7 Welfare, or any other state agency created  
8 for a similar purpose.

9 (b) The administrator of the hospital  
10 shall admit a representative into the  
11 facilities of the district and make  
12 accessible on demand all district records,  
13 reports, books, papers, and accounts.

14 [Sections 1096.113-1096.150 reserved for expansion]

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Revised Law

17 Sec. 1096.151. BUDGET. The board shall prepare a budget  
18 that includes:

19 (1) proposed expenditures and disbursements;

20 (2) estimated receipts and collections for the next  
21 fiscal year; and

22 (3) the amount of taxes required to be imposed during  
23 the next fiscal year to meet the proposed budget. (Acts 61st Leg.,  
24 R.S., Ch. 638, Sec. 21(b).)

25 Source Law

26 (b) The board shall prepare a budget showing  
27 (1) the proposed expenditures and  
28 disbursements;  
29 (2) the estimated receipts and collections  
30 for the next fiscal year;  
31 (3) the amount of taxes required to be  
32 levied and collected during the next fiscal year to  
33 meet the proposed budget.

34 Revisor's Note

35 Section 21(b), Chapter 638, Acts of the 61st  
36 Legislature, Regular Session, 1969, refers to taxes  
37 "levied and collected." The revised law substitutes  
38 "imposed" for the quoted language because "impose" is  
39 the term generally used in Title 1, Tax Code, and  
40 includes the levying and collection of an ad valorem  
41 tax.

42 Revised Law

43 Sec. 1096.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)

1 The board shall hold a public hearing on the proposed budget.

2 (b) Notice of the hearing must be published in a newspaper  
3 of general circulation in the district at least once before the 10th  
4 day before the date of the hearing.

5 (c) Any person who owns taxable property in the district and  
6 has duly rendered that property for taxation is entitled to:

7 (1) appear at the hearing; and

8 (2) be heard regarding any item in the proposed  
9 budget. (Acts 61st Leg., R.S., Ch. 638, Secs. 21(c), (d).)

10 Source Law

11 (c) The board shall hold a public hearing on the  
12 proposed budget after publication of notice in a  
13 newspaper of general circulation in the district. The  
14 notice must be given at least one time before the  
15 ten-day period immediately preceding the day of the  
16 hearing.

17 (d) Any person who owns taxable property within  
18 the district and has duly rendered that property for  
19 taxation is entitled to appear at the hearing and be  
20 heard with reference to any item in the proposed  
21 budget.

22 Revised Law

23 Sec. 1096.153. FISCAL YEAR. The district's fiscal year is  
24 from October 1 to September 30. (Acts 61st Leg., R.S., Ch. 638,  
25 Sec. 21(a).)

26 Source Law

27 Sec. 21. (a) The fiscal year of the hospital  
28 district is from October 1 of each year to September 30  
29 of the following year.

30 Revised Law

31 Sec. 1096.154. ANNUAL AUDIT. (a) The board annually shall  
32 require an independent audit of the district's books and records.

33 (b) Not later than December 1 of each year, the board shall  
34 file a copy of the audit with:

35 (1) the comptroller; and

36 (2) the district. (Acts 61st Leg., R.S., Ch. 638, Sec.  
37 20(d).)

38 Source Law

39 (d) The board shall require an annual  
40 independent audit of the books and records of the  
41 district and shall file a copy of the audit with the  
42 Comptroller of Public Accounts and a copy with the

1 district not later than December 1 of each year.

2 Revisor's Note

3 Section 20(d), Chapter 638, Acts of the 61st  
4 Legislature, Regular Session, 1969, refers to the  
5 "Comptroller of Public Accounts." The revised law  
6 substitutes "comptroller" for the quoted language  
7 because Section 403.001, Government Code, defines  
8 "comptroller" in any state statute to mean the  
9 comptroller of public accounts of the State of Texas.

10 Revised Law

11 Sec. 1096.155. DEPOSITORY. (a) The board by resolution  
12 shall designate a bank in the county in which the district is  
13 located as the district's depository. A designated bank serves for  
14 two years and until a successor is designated.

15 (b) All district money shall be deposited in the depository  
16 and secured in the manner provided for securing county funds. (Acts  
17 61st Leg., R.S., Ch. 638, Sec. 24.)

18 Source Law

19 Sec. 24. Within 30 days after the  
20 qualifications of the board of directors, the board  
21 shall by resolution designate a bank within the county  
22 in which the district is located to be the depository  
23 of the district. All funds of the district shall be  
24 deposited in the depository and shall be secured in the  
25 manner now provided for the security of county funds.  
26 The depository shall serve for a period of two years  
27 and until a successor has been named in accordance with  
28 this section.

29 Revisor's Note

30 Section 24, Chapter 638, Acts of the 61st  
31 Legislature, Regular Session, 1969, requires the board  
32 to select a depository "[w]ithin 30 days after the  
33 qualifications of the board of directors." The  
34 revised law omits the quoted language as executed.

35 Revised Law

36 Sec. 1096.156. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
37 The board may borrow money at a rate not to exceed the maximum  
38 annual percentage rate allowed by law for district obligations at  
39 the time the loan is made if the board declares that:

1 (1) money is not available to meet authorized  
2 obligations of the district; and

3 (2) an emergency exists.

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

5 (1) district revenue that is not pledged to pay the  
6 district's bonded indebtedness;

7 (2) a district tax to be imposed by the district in the  
8 next 12-month period that is not pledged to pay the principal of or  
9 interest on district bonds; or

10 (3) district bonds that have been authorized but not  
11 sold.

12 (c) A loan for which taxes or bonds are pledged must mature  
13 not later than the first anniversary of the date the loan is made. A  
14 loan for which district revenue is pledged must mature not later  
15 than the fifth anniversary of the date the loan is made.

16 (d) The board may not spend money obtained from a loan under  
17 this section for any purpose other than:

18 (1) the purpose for which the board declared an  
19 emergency; and

20 (2) if district taxes or bonds are pledged to pay the  
21 loan, the purpose for which the pledged taxes were imposed or the  
22 pledged bonds were authorized. (Acts 61st Leg., R.S., Ch. 638, Sec.  
23 20A.)

24 Source Law

25 Sec. 20A. (a) If the board declares that funds  
26 are not available to meet lawfully authorized  
27 obligations of the district and that an emergency  
28 exists, the board may borrow money at a rate not to  
29 exceed the maximum annual percentage rate allowed by  
30 law for district obligations at the time the loan is  
31 made.

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

33 (1) revenues of the district that are not  
34 pledged to pay bonded indebtedness of the district;

35 (2) district taxes to be levied by the  
36 district in the next 12-month period that are not  
37 pledged to pay the principal of or interest on district  
38 bonds; or

39 (3) district bonds that have been  
40 authorized but not sold.

41 (c) A loan for which taxes or bonds are pledged  
42 must mature not later than the anniversary of the date  
43 on which the loan is made. A loan for which district  
44 revenues are pledged must mature not later than the

1 fifth anniversary of the date on which the loan is  
2 made.

3 (d) The board may not spend money obtained from  
4 a loan under this section for any purpose other than  
5 the purpose for which the board declared an emergency  
6 and, if taxes or bonds are pledged to pay the loan, for  
7 any purpose other than the purpose for which the  
8 pledged taxes were levied or the pledged bonds were  
9 authorized.

10 Revisor's Note

11 Section 20A(a), Chapter 638, Acts of the 61st  
12 Legislature, Regular Session, 1969, refers to  
13 "lawfully authorized obligations." The revised law  
14 omits "lawfully" because, in context, a "lawful"  
15 obligation is included in the meaning of an  
16 "authorized" obligation.

17 Revised Law

18 Sec. 1096.157. INVESTMENT OF DISTRICT MONEY. (a) The law  
19 applicable to municipalities with respect to security for and  
20 investment of money governs, as applicable, the investment of  
21 district money. The bond resolution or indenture may further  
22 restrict the investment.

23 (b) To the extent authorized in the bond resolution or  
24 indenture and until the money is needed, the district may invest the  
25 proceeds of district bonds in direct obligations of or obligations  
26 unconditionally guaranteed by the United States. (Acts 61st Leg.,  
27 R.S., Ch. 638, Sec. 18.)

28 Source Law

29 Sec. 18. The law as to the security for and the  
30 investment of funds, applicable to Cities, shall  
31 control, insofar as applicable to the investment of  
32 funds belonging to Authority. The Bond Resolution or  
33 the Indenture or both may further restrict the making  
34 of such investments. In addition to other powers  
35 Authority shall have the right to invest the proceeds  
36 of its bonds, until such money is needed, in the direct  
37 obligations of or obligations unconditionally  
38 guaranteed by the United States Government, to the  
39 extent authorized in the Bond Resolution or Indenture  
40 or in both.

41 Revisor's Note

42 Section 18, Chapter 638, Acts of the 61st  
43 Legislature, Regular Session, 1969, refers to  
44 "Cities." The revised law substitutes

1 "municipalities" for "Cities" because the terms are  
2 synonymous and "municipalities" is the term used in  
3 the Local Government Code.

4 Revised Law

5 Sec. 1096.158. TAX EXEMPTION. Because property owned by  
6 the district is held for public purposes only and is devoted  
7 exclusively to the use and benefit of the public, the property is  
8 exempt from taxation of every character. (Acts 61st Leg., R.S., Ch.  
9 638, Sec. 16.)

10 Source Law

11 Sec. 16. Recognizing the fact that the property  
12 owned by Authority will be held for public purposes  
13 only and will be devoted exclusively to the use and  
14 benefit of the public, it shall be exempt from taxation  
15 of every character.

16 [Sections 1096.159-1096.200 reserved for expansion]

17 SUBCHAPTER E. BONDS

18 Revised Law

19 Sec. 1096.201. REVENUE BONDS. (a) The district may issue  
20 revenue bonds to provide for any district purposes. The bonds must  
21 be authorized by a board resolution adopted by a majority vote of a  
22 quorum of the board.

23 (b) Revenue bonds must be payable from and secured by a  
24 pledge of all or part of the revenue derived from:

25 (1) the operation of the district's hospitals; and

26 (2) any other revenue resulting from the ownership of  
27 the hospital properties.

28 (c) Revenue bonds may be additionally secured by a mortgage  
29 or deed of trust lien on real property of the district or by a  
30 chattel mortgage on the district's personal property, or by both.

31 (d) The board may issue:

32 (1) bonds that are a junior lien on the district's net  
33 revenue or property, unless prohibited by the bond resolution or  
34 trust indenture; and

35 (2) parity bonds under conditions specified in the  
36 bond resolution or trust indenture.

1 (e) A bond issued under this subchapter must contain the  
2 provision: "The holder hereof shall never have the right to demand  
3 payment thereof out of money raised or to be raised by taxation."  
4 (Acts 61st Leg., R.S., Ch. 638, Secs. 8, 9 (part), 11, 14 (part).)

5 Source Law

6 Sec. 8. The Authority may issue revenue bonds to  
7 provide for any of its purposes. Such bonds shall be  
8 payable from revenues and secured by a pledge of all or  
9 any part of the revenues to be derived from the  
10 operation of the hospital or hospitals and any other  
11 revenues resulting from the ownership of the hospital  
12 properties. The bonds may be additionally secured by a  
13 mortgage or deed of trust on real property of Authority  
14 or by a chattel mortgage on its personal property, or  
15 by both.

16 Sec. 9. The bonds shall be authorized by  
17 resolution adopted by a majority vote of a quorum of  
18 the Board of Directors, and . . . .

19 Sec. 11. Bonds constituting a junior lien on the  
20 net revenues or properties may be issued unless  
21 prohibited by the Bond Resolution or Trust Indenture.  
22 Parity bonds may be issued under conditions specified  
23 in the Bond Resolution or Trust Indenture.

24 Sec. 14. Bonds issued under this Act . . . .  
25 The bonds shall be negotiable and shall contain the  
26 following provision: "The holder hereof shall never  
27 have the right to demand payment thereof out of money  
28 raised or to be raised by taxation."

29 Revisor's Note

30 Section 14, Chapter 638, Acts of the 61st  
31 Legislature, Regular Session, 1969, provides that the  
32 bonds issued by the district "shall be negotiable."  
33 The revised law omits the quoted phrase because  
34 Section 1201.041, Government Code, provides that a  
35 public security is a negotiable instrument. Section  
36 1201.041, Government Code, applies to district bonds  
37 by application of Section 1201.002, Government Code.

38 Revised Law

39 Sec. 1096.202. EXECUTION OF BONDS. District bonds must be  
40 signed by the president or vice president and countersigned by the  
41 secretary. (Acts 61st Leg., R.S., Ch. 638, Sec. 9 (part).)

42 Source Law

43 Sec. 9. The bonds . . . shall be signed by the  
44 president or vice-president and countersigned by the  
45 secretary, . . . .

1 Revisor's Note

2 Section 9, Chapter 638, Acts of the 61st  
3 Legislature, Regular Session, 1969, provides that  
4 district bonds must bear the impress or printed seal of  
5 the district and authorizes facsimile printed  
6 signatures. The revised law omits those provisions as  
7 unnecessary. The requirement that the bonds bear the  
8 seal of the district was impliedly repealed by Section  
9 3, Bond Procedures Act of 1981 (Article 717k-6,  
10 Vernon's Texas Civil Statutes) (revised in relevant  
11 part in 1999 as Section 1201.026(a), Government Code),  
12 which provides that bonds may be signed with or without  
13 a seal. The authorization for the use of printed  
14 signatures duplicates Section 1201.026(a), Government  
15 Code, which also provides that bonds and interest  
16 coupons may be executed with manual or facsimile  
17 signatures. The omitted law reads:

18 Sec. 9. [The bonds . . . shall be  
19 signed by the president or vice-president  
20 and countersigned by the secretary,] or  
21 either or both of their facsimile  
22 signatures may be printed thereon. The seal  
23 of the Authority shall be impressed or  
24 printed thereon. . . .

25 Revised Law

26 Sec. 1096.203. MATURITY OF BONDS. District bonds must  
27 mature not later than 40 years after their date of issuance. (Acts  
28 61st Leg., R.S., Ch. 638, Sec. 9 (part).)

29 Source Law

30 Sec. 9. . . . The bonds shall mature serially or  
31 otherwise in not to exceed forty (40) years and . . . .

32 Revisor's Note

33 Section 9, Chapter 638, Acts of the 61st  
34 Legislature, Regular Session, 1969, provides that  
35 district bonds shall mature "serially or otherwise."  
36 The revised law omits the quoted language because it  
37 duplicates Section 1201.022(a)(1), Government Code,  
38 applicable to the revised law by application of

1 Section 1201.002, Government Code.

2 Revised Law

3 Sec. 1096.204. REFUNDING BONDS. The board may issue bonds  
4 for the purpose of refunding outstanding bonds in the manner  
5 provided by this subchapter for other bonds. (Acts 61st Leg., R.S.,  
6 Ch. 638, Sec. 13 (part).)

7 Source Law

8 Sec. 13. Bonds may be issued for the purpose of  
9 refunding outstanding bonds in the manner provided in  
10 this Act for other bonds, and . . . .

11 Revisor's Note

12 Section 13, Chapter 638, Acts of the 61st  
13 Legislature, Regular Session, 1969, authorizes the  
14 district to issue refunding bonds that may be  
15 exchanged by the comptroller or sold with the proceeds  
16 applied in the manner specified by Chapter 503, Acts of  
17 the 54th Legislature, Regular Session, 1955 (Article  
18 717k, Vernon's Texas Civil Statutes). Article 717k was  
19 codified in 1999 as Chapter 1207, Government Code. The  
20 revised law omits the relevant part of the provision  
21 because Chapter 1207, Government Code, applies to the  
22 district by its own terms under Section 1207.001,  
23 Government Code. The omitted law reads:

24 Sec. 13. [Bonds] . . . may be  
25 exchanged by the Comptroller of Public  
26 Accounts of the State of Texas or sold and  
27 the proceeds applied in accordance with the  
28 procedure prescribed in Chapter 503, Acts  
29 of the Fifty-fourth Legislature.

30 Revisor's Note  
31 (End of Subchapter)

32 (1) Section 9, Chapter 638, Acts of the 61st  
33 Legislature, Regular Session, 1969, provides that  
34 district bonds may be sold at a price and under terms  
35 that the board determines are the most advantageous  
36 reasonably obtainable. The revised law omits that  
37 provision because it duplicates or is superseded by  
38 provisions of general law. Section 1204.006(b),

1 Government Code, provides that an issuer may sell  
2 public securities at any price. That section reflects  
3 the amendment of Chapter 3, Acts of the 61st  
4 Legislature, Regular Session, 1969 (Article 717k-2,  
5 Vernon's Texas Civil Statutes), now Chapter 1204,  
6 Government Code, by Section 1, Chapter 61, Acts of the  
7 67th Legislature, Regular Session, 1981. Section  
8 1204.006(b) applies to district bonds by application  
9 of Section 1204.001, Government Code. Section  
10 1201.022, Government Code, as amended by Section 1,  
11 Chapter 769, Acts of the 77th Legislature, Regular  
12 Session, 2001, provides that an issuer may sell public  
13 securities "under the terms determined by the  
14 governing body of the issuer to be in the issuer's best  
15 interests." Section 1201.022 applies to district  
16 bonds by application of Section 1201.002, Government  
17 Code. The omitted law reads:

18           Sec. 9. . . . [The bonds] . . . may  
19           be sold at a price and under terms  
20           determined by the Board of Directors to be  
21           the most advantageous reasonably  
22           obtainable, . . . .

23           (2) Section 9, Chapter 638, Acts of the 61st  
24 Legislature, Regular Session, 1969, provides that  
25 district bonds may bear interest at a rate not to  
26 exceed seven percent. The revised law omits that  
27 provision because it is superseded by the enactment of  
28 the maximum interest rate provision found in Section  
29 1204.006, Government Code. That section reflects the  
30 amendment of Chapter 3, Acts of the 61st Legislature,  
31 Regular Session, 1969 (Article 717k-2, Vernon's Texas  
32 Civil Statutes), now Chapter 1204, Government Code, by  
33 Section 1, Chapter 61, Acts of the 67th Legislature,  
34 Regular Session, 1981, and permits a public agency,  
35 including a hospital district, to issue public  
36 securities at any net effective interest rate of 15

1 percent or less. Section 1204.006, Government Code,  
2 applies to district bonds by application of Section  
3 1204.001, Government Code. The omitted law reads:

4 Sec. 9. . . . provided that the  
5 interest cost to the Authority, including  
6 the discount, if any, calculated by use of  
7 standard bond interest tables currently in  
8 use by insurance companies and investment  
9 houses does not exceed seven per cent (7%)  
10 per annum, and . . . .

11 (3) Section 9, Chapter 638, Acts of the 61st  
12 Legislature, Regular Session, 1969, provides that  
13 district bonds may be redeemed before maturity at the  
14 time and price specified in the resolution authorizing  
15 the bonds. The revised law omits that provision  
16 because it duplicates Sections 1201.021 and 1201.022,  
17 Government Code, which provide that a public security  
18 may be redeemed before maturity and be payable in  
19 specified amounts and at specified times. Those  
20 sections apply to district bonds by the application of  
21 Section 1201.002, Government Code. The omitted law  
22 reads:

23 Sec. 9. . . . within the discretion  
24 of the Board, may be made callable prior to  
25 maturity at such time and prices as may be  
26 prescribed in the resolution authorizing  
27 the bonds, and . . . .

28 (4) Section 9, Chapter 638, Acts of the 61st  
29 Legislature, Regular Session, 1969, provides that  
30 district bonds may be registered as to principal or as  
31 to principal and interest. The revised law omits that  
32 provision because it duplicates Section 1201.024,  
33 Government Code. That section applies to bonds issued  
34 by the district by the application of Section  
35 1201.002, Government Code. The omitted law reads:

36 Sec. 9. . . . may be made registrable  
37 as to principal or as to both principal and  
38 interest.

39 (5) Section 10, Chapter 638, Acts of the 61st  
40 Legislature, Regular Session, 1969, provides that

1 district bonds are legal and authorized investments  
2 for certain entities. The revised law omits the  
3 provision as unnecessary. As to several of the  
4 entities listed, Section 10 has been superseded and  
5 impliedly repealed. Investments in securities by  
6 banks are regulated by Section 34.101, Finance Code  
7 (enacted in 1995 as Section 5.101, Texas Banking Act  
8 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
9 Investments in securities by savings banks are  
10 regulated by Section 93.001(c)(10), Finance Code  
11 (enacted in 1993 as Section 7.15(10), Texas Savings  
12 Bank Act (Article 489e, Vernon's Texas Civil  
13 Statutes)). Investments in securities by trust  
14 companies are regulated by Section 184.101, Finance  
15 Code (enacted in 1997 as Section 5.101, Texas Trust  
16 Company Act (Article 342a-5.101, Vernon's Texas Civil  
17 Statutes)). Investments in securities by building and  
18 loan associations (now called savings and loan  
19 associations) are regulated by Sections 63.002 and  
20 64.001, Finance Code. As to "insurance companies  
21 . . . , and . . . the interest and sinking funds . . .  
22 of any issuer," Section 10 is superseded by Section  
23 1201.041, Government Code, enacted as Section 9, Bond  
24 Procedures Act of 1981 (Article 717k-6, Vernon's Texas  
25 Civil Statutes). Section 1201.041, Government Code,  
26 applies to district bonds by application of Section  
27 1201.002, Government Code. The revised law omits the  
28 reference to "other public funds of any issuer"  
29 because it has been superseded by Section 404.024,  
30 Government Code (enacted in 1985 as Section 2.014,  
31 Treasury Act (Article 4393-1, Vernon's Texas Civil  
32 Statutes)), which governs the investment of state  
33 funds by the comptroller, and by Chapter 2256,  
34 Government Code (which included the Public Funds

1 Investment Act of 1987 (Article 842a-2, Vernon's Texas  
2 Civil Statutes)), which governs investments by other  
3 issuers. Section 10 does not define an "issuer" of  
4 public funds, but in context, "issuer" of public funds  
5 is defined in Section 1201.002, Government Code, to  
6 include a political subdivision. The omitted law  
7 reads:

8           Sec. 10. All bonds issued under this  
9 Act, as amended, shall be legal and  
10 authorized investments for all banks,  
11 savings banks, trust companies, building  
12 and loan associations, savings and loan  
13 associations, and insurance companies of  
14 all kinds and types, and for the interest  
15 and sinking funds and other public funds of  
16 any issuer, as such term is defined in this  
17 Act. . . .

18           (6) Section 10, Chapter 638, Acts of the 61st  
19 Legislature, Regular Session, 1969, provides that  
20 district bonds may secure deposits of public funds of  
21 this state or of any "issuer." Although Section 10  
22 does not define the term "issuer," other than public  
23 funds of this state, the only deposits district bonds  
24 could secure would be deposits of public funds of this  
25 state or of political subdivisions of this state.  
26 Therefore, the revised law omits the provisions as  
27 impliedly repealed by Section 404.0221, Government  
28 Code (enacted in 1995), which lists eligible  
29 collateral for deposits of state funds by the  
30 comptroller, and by Chapter 2257, Government Code  
31 (enacted in 1989 as Article 2529d, Vernon's Texas Civil  
32 Statutes), which governs eligible collateral for  
33 deposits of funds of other public agencies, including  
34 political subdivisions, and permits those deposits to  
35 be secured by obligations issued by hospital  
36 districts. The omitted law reads:

37           Sec. 10. . . . Said bonds also shall  
38 be eligible and lawful security for all  
39 deposits of public funds of the State of  
40 Texas and of any issuer, as such term is  
41 defined in this Act, to the extent of the

1 value of said bonds, when accompanied by any  
2 unmatured interest coupons appurtenant  
3 thereto.

4 (7) Section 12, Chapter 638, Acts of the 61st  
5 Legislature, Regular Session, 1969, authorizes the  
6 board to set aside money for not more than two years'  
7 interest on bonds and for operating expenses during  
8 the first year of operation of the district and  
9 requires the district to comply with certain  
10 governmental regulations relating to interest and  
11 operating expenses. The revised law omits those  
12 provisions as executed. The omitted law reads:

13 Sec. 12. Money for the payment of not  
14 more than two (2) years interest on the  
15 bonds and an amount estimated by the Board  
16 to be required for operating expenses  
17 during the first year of operation may be  
18 set aside for those purposes out of the  
19 proceeds from the sale of the bonds. But  
20 the Authority shall comply with government  
21 regulations requiring that interest during  
22 development is limited to six months and  
23 that initial operating expenses must be  
24 provided by applicant and not from loan  
25 funds.

26 (8) Section 14, Chapter 638, Acts of the 61st  
27 Legislature, Regular Session, 1969, provides that  
28 district bonds are subject to the law governing  
29 counties that relates to bond approval by the attorney  
30 general and registration of the bonds by the  
31 comptroller. Section 14 also provides that after  
32 approval and registration the bonds are  
33 "incontestable." The revised law omits those  
34 provisions as superseded by Chapter 1202, Government  
35 Code (enacted as Article 3, Chapter 53, Acts of the  
36 70th Legislature, 2nd Called Session, 1987). Section  
37 1202.003(a), Government Code, requires bonds to be  
38 submitted to the attorney general. Section  
39 1202.003(b), Government Code, provides for approval of  
40 the bonds by the attorney general and requires the  
41 attorney general to submit the approved bonds to the  
42 comptroller for registration. Section 1202.005,

1 Government Code, requires registration of the bonds by  
2 the comptroller. Section 1202.006, Government Code,  
3 provides that after approval and registration, the  
4 bonds are incontestable and binding obligations.  
5 Chapter 1202, Government Code, applies to bonds issued  
6 under this chapter by application of Section 1202.001,  
7 Government Code. The omitted law reads:

8           Sec. 14. Bonds issued under this Act  
9 and the record relating to their issuance  
10 shall be submitted to the Attorney General  
11 of Texas and if he finds that they have been  
12 issued in accordance with this law and  
13 constitute valid and binding obligations of  
14 the Authority and are secured as recited  
15 therein he shall approve them, and they  
16 shall be registered by Comptroller of  
17 Public Accounts of the State of Texas who  
18 shall certify such registration thereon.  
19 Thereafter they shall be  
20 incontestable. . . .

21 [Sections 1096.205-1096.250 reserved for expansion]

22                                   SUBCHAPTER F. TAXES

23                                   Revised Law

24           Sec. 1096.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
25 shall impose a tax on all property in the district subject to  
26 district taxation.

27           (b) The tax proceeds may be used only to:

28                   (1) provide for the operation and maintenance of the  
29 district and hospital system;

30                   (2) make improvements and additions to the hospital  
31 system; or

32                   (3) acquire sites for additions to the hospital  
33 system. (Acts 61st Leg., R.S., Ch. 638, Secs. 7(a) (part), (b).)

34                                   Source Law

35           Sec. 7. (a) . . . the board of directors shall  
36 levy a tax . . . on all property subject to taxation  
37 within the district.

38           (b) The board may use the proceeds of this tax  
39 for the following purposes only:

40                   (1) providing for the operation and  
41 maintenance of the hospital district and the hospital  
42 system;

43                   (2) making improvements and additions to  
44 the hospital system;

45                   (3) acquiring sites for the additions to  
46 the hospital system.

1 Revisor's Note

2 (1) Section 7(a), Chapter 638, Acts of the 61st  
3 Legislature, Regular Session, 1969, provides that the  
4 board shall impose a tax after a vote. The revised law  
5 omits that provision as executed. The omitted law  
6 reads:

7 Sec. 7. (a) After a majority of  
8 those persons voting at the election vote  
9 for the levy of a tax, . . . .

10 (2) Section 7(c), Chapter 638, Acts of the 61st  
11 Legislature, Regular Session, 1969, requires the board  
12 to impose taxes at a certain time and certify the tax  
13 rate in a certain manner. The revised law omits that  
14 provision because it was repealed by Section 6(b),  
15 Chapter 841, Acts of the 66th Legislature, Regular  
16 Session, 1979, which repealed all "general, local, and  
17 special laws" that conflicted with that act. The 1979  
18 act enacted the Property Tax Code (Title 1, Tax Code),  
19 a comprehensive, substantive codification of ad  
20 valorem tax law and its administration. Title 1, Tax  
21 Code, provides the exclusive procedures for the  
22 appraisal of property by a taxing unit, including a  
23 hospital district. The omitted law reads:

24 (c) On or before October 1, of each  
25 year, the board shall levy the tax and  
26 immediately certify the tax rate to the tax  
27 assessor and collector of the district.

28 Revised Law

29 Sec. 1096.252. TAX RATE. The board shall impose the tax at  
30 a rate not to exceed 38 cents on each \$100 valuation. (Acts 61st  
31 Leg., R.S., Ch. 638, Sec. 7(a) (part).)

32 Source Law

33 (a) . . . the board of directors shall levy a  
34 tax not to exceed thirty-eight (38) cents on the \$100  
35 valuation . . . .

36 Revised Law

37 Sec. 1096.253. TAX ASSESSOR-COLLECTOR. The board may use  
38 any of the following to assess and collect district taxes:

- 1 (1) the tax assessor-collector for Limestone County;  
2 (2) the tax assessor-collector for the Groesbeck  
3 Independent School District; or  
4 (3) any tax assessor-collector established by the  
5 board for the district. (Acts 61st Leg., R.S., Ch. 638, Sec. 7(d).)

6 Source Law

7 (d) The board of directors of the district shall  
8 have the authority in its discretion to use any of the  
9 following taxing units to assess and collect said  
10 taxes:

- 11 (1) the tax assessor and collector of  
12 Limestone County;  
13 (2) the tax assessor and collector of the  
14 Groesbeck Independent School District;  
15 (3) the tax assessor and collector that  
16 the board establishes for the hospital district,  
17 should it decide to use this system.

18 Revisor's Note

19 (End of Subchapter)

20 (1) Section 7(e), Chapter 638, Acts of the 61st  
21 Legislature, Regular Session, 1969, provides that the  
22 county tax assessor-collector may charge a fee for the  
23 assessment and collection of district taxes. The  
24 revised law omits that provision because it was  
25 repealed by Section 6(b), Chapter 841, Acts of the 66th  
26 Legislature, Regular Session, 1979. See Revisor's  
27 Note (2) to Section 1096.251. Section 6.27(b), Tax  
28 Code, provides for the compensation of a county tax  
29 assessor-collector assessing and collecting taxes for  
30 another taxing unit. The omitted law reads:

31 (e) The assessor and collector of  
32 taxes is entitled to a fee as compensation  
33 for his services to be set by the board of  
34 directors. The board shall fix the exact  
35 amount of compensation. The tax assessor  
36 and collector shall deduct this fee from the  
37 payments made to the district of the taxes  
38 collected. . . .

39 (2) Section 7(e), Chapter 638, Acts of the 61st  
40 Legislature, Regular Session, 1969, requires the board  
41 to set a bond for the district tax assessor-collector.  
42 The revised law omits the provision because it was  
43 repealed by Section 6(b), Chapter 841, Acts of the 66th

1 Legislature, Regular Session, 1979. See Revisor's  
2 Note (2) to Section 1096.251. Section 6.29(a), Tax  
3 Code, authorizes the governing body of a taxing unit,  
4 including a hospital district, to set a bond for the  
5 district tax assessor-collector. The omitted law  
6 reads:

7 (e) . . . The tax collector shall be  
8 bonded in the amount set by the board of  
9 directors.

10 (3) Section 7(f), Chapter 638, Acts of the 61st  
11 Legislature, Regular Session, 1969, provides that the  
12 district may impose taxes for the entire year in which  
13 the district is established. The revised law omits  
14 that provision as executed. The omitted law reads:

15 (f) The board may levy this tax for  
16 the entire year in which the district is  
17 established to secure funds necessary to  
18 initiate the operation of the hospital  
19 district.

20 Revisor's Note  
21 (End of Chapter)

22 (1) Section 27, Chapter 638, Acts of the 61st  
23 Legislature, Regular Session, 1969, provides that  
24 public notice of enactment of the statute was provided  
25 in a manner that satisfies the requirements of the  
26 Texas Constitution. The revised law omits that  
27 section as executed. The omitted law reads:

28 Sec. 27. Proof of publication of the  
29 Constitutional Notice required in the  
30 enactment hereof under the provisions of  
31 Section 9 of Article IX of the Texas  
32 Constitution has been made in the manner and  
33 form provided by law pertaining to the  
34 enactment of Local and Special Laws and is  
35 hereby found and declared to be proper and  
36 sufficient to satisfy such requirements.

37 (2) Sections 28 and 29, Chapter 638, Acts of the  
38 61st Legislature, Regular Session, 1969, provide that  
39 the act is severable. The revised law omits those  
40 provisions because the same result is produced by  
41 application of Section 311.032, Government Code (Code  
42 Construction Act), which provides that a provision of

1 a statute is severable from each other provision of the  
2 statute that can be given effect. The omitted law  
3 reads:

4 Sec. 28. . . . If any provision of  
5 this Act should be invalid, such fact shall  
6 not affect the authorization for the  
7 creation of the District or the validity of  
8 any other provisions of this Act, and the  
9 Legislature hereby declares that it would  
10 have created the District and enacted the  
11 valid provisions of this Act  
12 notwithstanding the invalidity of any other  
13 provision or provisions hereof.

14 Sec. 29. If any word, phrase,  
15 sentence, section, portion or provision of  
16 this Act or the application thereof to any  
17 person or circumstance shall be held to be  
18 invalid or unconstitutional, the remainder  
19 of this Act, and the application of such  
20 word, phrase, sentence, section, portion or  
21 provision to other persons or  
22 circumstances, shall not be affected  
23 thereby. . . .

24 (3) Section 29, Chapter 638, Acts of the 61st  
25 Legislature, Regular Session, 1969, provides that if  
26 there is a conflict between the act and any other law  
27 of this state, the act controls. The revised law omits  
28 that provision because, under general rules of  
29 statutory construction, a statute automatically has  
30 the effect of repealing prior conflicting enactments  
31 and is ineffective to repeal subsequent legislation.  
32 Furthermore, Section 311.026, Government Code (Code  
33 Construction Act), provides that if there is a  
34 conflict between a general provision of law and a  
35 special provision, the special provision prevails  
36 unless the general provision is the later enactment  
37 and the manifest intent is that the general provision  
38 prevail. The omitted law reads:

39 Sec. 29. . . . In the event any of  
40 the provisions hereof shall be in conflict  
41 with any other law of this State, the  
42 provisions of this Act shall prevail.

43 (4) Sections 7(b), (c), and (d), Chapter 716,  
44 Acts of the 72nd Legislature, Regular Session, 1991,  
45 provide transition language concerning board

1 elections. The revised law omits the language as  
2 executed. The omitted law reads:

3 (b) The first election for directors  
4 under this Act shall be held on May 2, 1992.

5 (c) At the first election for  
6 directors under this Act, seven new  
7 directors shall be elected. The four  
8 directors receiving the highest number of  
9 votes at the May 1992 election serve for a  
10 term of four years. The remaining directors  
11 serve for a term of two years.

12 (d) The terms of the directors  
13 serving on the board immediately before the  
14 effective date of this Act expire when a  
15 majority of the new directors take office.

16 CHAPTER 1107. TITUS COUNTY HOSPITAL DISTRICT

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1 [Sections 1107.206-1107.250 reserved for expansion]

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9 CHAPTER 1107. TITUS COUNTY HOSPITAL DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Revised Law

12 Sec. 1107.001. DEFINITIONS. In this chapter:

13 (1) "Board" means the board of hospital managers of  
14 the district.

15 (2) "District" means the Titus County Hospital  
16 District.

17 (3) "Manager" means a member of the board. (New.)

18 Revisor's Note

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

23 Revised Law

24 Sec. 1107.002. AUTHORITY FOR OPERATION. The Titus County  
25 Hospital District operates in accordance with Section 9, Article  
26 IX, Texas Constitution, and has the powers and responsibilities  
27 provided by that section. (Acts 58th Leg., R.S., Ch. 298, Sec. 1  
28 (part).)

29 Source Law

30 Sec. 1. In accordance with the provisions of  
31 Article IX, Section 9, Constitution of the State of  
32 Texas, this Act shall be operative so as to authorize  
33 the creation, establishment, maintenance and  
34 operation of a Hospital District within the State of  
35 Texas, to be known as Titus County Hospital District,  
36 and . . . said District shall have the powers and  
37 responsibilities provided by the aforesaid  
38 Constitutional provision.

1 Revisor's Note

2 Section 1, Chapter 298, Acts of the 58th  
3 Legislature, Regular Session, 1963, authorizes the  
4 "creation, establishment, maintenance and operation"  
5 of the district. The revised law omits "creation" and  
6 "establishment" as executed. The revised law omits  
7 "maintenance" because, in this context, the meaning of  
8 that term is included in the meaning of "operation."

9 Revised Law

10 Sec. 1107.003. DISTRICT TERRITORY. The boundaries of the  
11 district are coextensive with the boundaries of Titus County.  
12 (Acts 58th Leg., R.S., Ch. 298, Sec. 1 (part).)

13 Source Law

14 Sec. 1. . . . [Titus County Hospital District]  
15 . . . the boundaries of said District shall be  
16 coextensive with the boundaries of Titus County  
17 . . . .

18 Revisor's Note  
19 (End of Subchapter)

20 Section 2, Chapter 298, Acts of the 58th  
21 Legislature, Regular Session, 1963, provides  
22 procedures for holding an election on the creation of  
23 the district, the imposition of an ad valorem tax, and  
24 the assumption of debt. Because the election has been  
25 held, the revised law omits the relevant law as  
26 executed. The omitted law reads:

27 Sec. 2. . . . provided, however,  
28 that such Hospital District shall not be  
29 created unless and until an election is duly  
30 held in said County for such purpose, which  
31 said election may be initiated by the  
32 Commissioners Court upon its own motion or  
33 upon a petition of fifty (50) resident  
34 qualified property taxpaying voters, to be  
35 held not less than thirty (30) days from the  
36 time said election is ordered by the  
37 Commissioners Court. At such election there  
38 shall be submitted to the qualified  
39 property taxpaying voters the proposition  
40 of whether or not a Hospital District shall  
41 be created in the County; and a majority of  
42 the qualified property taxpaying electors  
43 participating in said election voting in  
44 favor of the proposition shall be  
45 necessary. The ballots for said election  
46 shall have printed thereon:

1 "FOR the creation of a Hospital  
2 District; providing for the levy of a tax  
3 not to exceed seventy-five cents (75¢) on  
4 the One Hundred Dollar valuation; and  
5 providing for the assumption by such  
6 District of all outstanding bonds  
7 heretofore issued by Titus County for  
8 hospital purposes"; and

9 "AGAINST the creation of a Hospital  
10 District; providing for the levy of a tax  
11 not to exceed seventy-five cents (75¢) on  
12 the One Hundred Dollar valuation; and  
13 providing for the assumption by such  
14 District of all outstanding bonds  
15 heretofore issued by Titus County for  
16 hospital purposes."

17 [Sections 1107.004-1107.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Revised Law

20 Sec. 1107.051. BOARD ELECTION; TERM. (a) The board  
21 consists of seven voting managers and one nonvoting manager as  
22 follows:

23 (1) one voting manager elected from each  
24 commissioners precinct of Titus County;

25 (2) three voting managers elected from the district at  
26 large; and

27 (3) the chief of the medical staff of the district's  
28 principal hospital serving as a nonvoting ex officio manager.

29 (b) The election order must provide for clerks as in county  
30 elections and must specify:

31 (1) the date of the election;

32 (2) the location of the polling places;

33 (3) the presiding and alternate election judges for  
34 each polling place; and

35 (4) the form of the ballot.

36 (c) The board shall declare the results of the election.

37 (d) Voting managers serve staggered four-year terms.

38 (e) An election shall be held on the uniform election date  
39 in May, or another date authorized by law, of each even-numbered  
40 year to elect the appropriate number of voting managers. (Acts 58th  
41 Leg., R.S., Ch. 298, Secs. 6b(a) (part), (b), (c) (part), 6c(b);  
42 Acts 71st Leg., R.S., Ch. 1116, Sec. 2.)



1 County shall order an election to be held in  
2 the District to determine whether the Board  
3 of Managers of the District shall be elected  
4 rather than appointed. . . . The form of  
5 the ballot shall be in conformity with  
6 Section 61, Texas Election Code, as amended  
7 (Article 6.05, Vernon's Texas Election  
8 Code), so that ballots may be cast for or  
9 against the following proposition: "The  
10 election of the Board of Managers of the  
11 Titus County Hospital District." Section  
12 9b, Texas Election Code, as amended  
13 (Article 2.01b, Vernon's Texas Election  
14 Code), does not apply to an election called  
15 under this subsection. . . . No election on  
16 this proposition may be held within twelve  
17 (12) months of any preceding election on the  
18 same proposition.

19 (2) Sections 6b(a) and (c), Chapter 298, Acts of  
20 the 58th Legislature, Regular Session, 1963, require  
21 the Titus County Commissioners Court and the board,  
22 respectively, to canvass the returns of an election of  
23 managers. The revised law omits the requirement  
24 because it duplicates Section 67.002, Election Code,  
25 which requires the governing body of a political  
26 subdivision that orders an election to canvass the  
27 returns.

28 (3) Section 6b(b), Chapter 298, Acts of the 58th  
29 Legislature, Regular Session, 1963, provides that one  
30 manager is elected from "the area of each  
31 commissioners precinct in Titus County" and three  
32 managers are elected at large and prescribes the  
33 procedures for the initial election of those managers.  
34 The revised law therefore establishes that seven  
35 managers are elected because Titus County has four  
36 commissioners precincts. The revised law omits the  
37 provisions relating to the initial election as  
38 executed but codifies the establishment of a board  
39 consisting of seven elected members, with one member  
40 elected from each commissioners precinct and three  
41 members elected at large.

42 (4) Section 6b(c), Chapter 298, Acts of the 58th  
43 Legislature, Regular Session, 1963, was amended in

1 1989 to require board elections on the "first Saturday  
2 in May." When Chapter 298 was amended in 1989, Section  
3 41.001, Election Code, also provided for a uniform  
4 election date of the first Saturday in May for all  
5 political subdivisions, indicating that the  
6 legislature intended the district's election to  
7 coincide with that uniform date. The revised law  
8 substitutes "uniform election date in May" for "first  
9 Saturday in May" to reflect those changes and to  
10 preserve the legislative intent that the election be  
11 held on the uniform election date in May. In addition,  
12 the revised law adds "or another date authorized by  
13 law" to acknowledge other legislative enactments such  
14 as Section 41.0052, Election Code, as amended by  
15 Chapter 1318, Acts of the 82nd Legislature, Regular  
16 Session, 2011, that would result in the election being  
17 held on a date other than the date provided by the  
18 source law.

19 (5) Section 6c(a), Chapter 298, Acts of the 58th  
20 Legislature, Regular Session, 1963, provides that the  
21 provisions of Section 6c apply if the election to  
22 determine whether the board should be elected instead  
23 of appointed is approved. Because the change to an  
24 elected board was approved at the election, the  
25 revised law omits Section 6c(a) as executed and  
26 revises the other relevant provisions of Section 6c  
27 throughout this chapter. The omitted law reads:

28           Sec. 6c. (a) If the proposition  
29           stated in Section 6b(a) of this Act is  
30           approved, this Section applies to the Board  
31           of Managers of the District.

32 (6) Section 2, Chapter 1116, Acts of the 71st  
33 Legislature, Regular Session, 1989, prescribes the  
34 procedure for staggering the terms of the managers  
35 first elected under that act. The revised law revises  
36 the provision specifying staggered terms but omits the

1 provision relating to which year the initial terms  
2 expire as executed.

3 Revised Law

4 Sec. 1107.052. NOTICE OF ELECTION. (a) The board shall  
5 give notice of an election of managers by publishing once a week for  
6 two consecutive weeks a substantial copy of the election order in a  
7 newspaper with general circulation in the district.

8 (b) The first publication of the notice must appear at least  
9 30 days before the date set for the election. (Acts 58th Leg.,  
10 R.S., Ch. 298, Secs. 6b(a) (part), (c) (part).)

11 Source Law

12 (a) . . . The Commissioners Court shall give  
13 notice of the election by having a substantial copy of  
14 the election order published in a newspaper of general  
15 circulation in the District once a week for two  
16 consecutive weeks, the first publication to appear at  
17 least thirty (30) days before the date set for the  
18 election. . . .

19 (c) . . . [The Board of Managers shall order an  
20 election of Managers] . . . give notice of the  
21 election, . . . [in the manner provided by Subsection  
22 (a) of this Section].

23 Revised Law

24 Sec. 1107.053. BALLOT PETITION. A person seeking to have  
25 the person's name printed on the ballot as a candidate for manager  
26 must file with the board secretary a petition requesting that  
27 action. The petition must:

28 (1) be signed by at least 10 registered voters who  
29 reside in the district;

30 (2) be filed by the deadline imposed by Section  
31 144.005, Election Code; and

32 (3) specify the commissioners precinct the candidate  
33 seeks to represent or specify that the candidate seeks to represent  
34 the district at large. (Acts 58th Leg., R.S., Ch. 298, Sec. 6b(c)  
35 (part).)

36 Source Law

37 (c) . . . A person desiring to have his name  
38 printed on the ballot as a candidate for Manager shall  
39 file with the Secretary of the Board, at least  
40 thirty-five (35) days before the election of Managers,  
41 a petition signed by at least ten (10) qualified voters

1 residing in the District, asking that his name be  
2 printed on the ballot as a candidate to represent a  
3 specific precinct area or the District at large. . . .

4 Revisor's Note

5 (1) Section 6b(c), Chapter 298, Acts of the 58th  
6 Legislature, Regular Session, 1963, refers to a  
7 petition signed by at least 10 "qualified voters"  
8 residing in the district. The revised law substitutes  
9 "registered voters" for the quoted language because in  
10 the context of eligibility to sign a petition, Section  
11 277.0021, Election Code, provides that "qualified  
12 voter" means "registered voter."

13 (2) Section 6b(c), Chapter 298, Acts of the 58th  
14 Legislature, Regular Session, 1963, requires a  
15 candidate for director to file a petition signed by at  
16 least 10 voters at least 35 days before the date of the  
17 election to have the candidate's name appear on the  
18 ballot. Under Section 144.003, Election Code  
19 (applicable to the district under Section 144.001,  
20 Election Code), a candidate for office must submit an  
21 application for a place on the ballot. The application  
22 must be filed by the deadline imposed by Section  
23 144.005, Election Code, which is either 71 or 78 days  
24 before the date of the election, depending on when the  
25 election is held. Because the petition serves as an  
26 additional requirement for a candidate to appear on  
27 the ballot, the revised law conforms the date the  
28 petition must be filed to the date the application must  
29 be filed.

30 Revised Law

31 Sec. 1107.054. QUALIFICATIONS FOR CANDIDACY. (a) A  
32 candidate for manager must be a resident of the district.

33 (b) A candidate for a commissioners precinct must be a  
34 resident of that commissioners precinct. (Acts 58th Leg., R.S.,  
35 Ch. 298, Sec. 6b(c) (part).)



1 Revisor's Note

2 Section 6, Chapter 298, Acts of the 58th  
3 Legislature, Regular Session, 1963, refers to a  
4 "Chairman" and a "Chairman pro tem." Throughout this  
5 chapter, the revised law substitutes "presiding  
6 officer" and "presiding officer pro tem" for those  
7 terms because, in context, the terms have the same  
8 meaning and "presiding officer" is more commonly used  
9 and is gender-neutral.

10 Revised Law

11 Sec. 1107.058. COMPENSATION. A manager serves without  
12 compensation, but the board may establish a system and set the  
13 amount of meeting fees for attending board or committee meetings.  
14 (Acts 58th Leg., R.S., Ch. 298, Sec. 6 (part).)

15 Source Law

16 Sec. 6. . . . The Board of Hospital Managers may  
17 establish a system of meeting fees for attending Board  
18 or committee meetings and set the amount of the fees.  
19 The Board shall serve without other compensation.  
20 . . .

21 Revised Law

22 Sec. 1107.059. LIABILITY INSURANCE. The board may purchase  
23 and provide the managers with liability insurance the board  
24 considers necessary or advisable to protect the managers from risks  
25 that might result from serving on the board. (Acts 58th Leg., R.S.,  
26 Ch. 298, Sec. 6 (part).)

27 Source Law

28 Sec. 6. . . . The Board may purchase and provide  
29 the managers with liability insurance the Board  
30 considers necessary or advisable to protect the  
31 managers from risks that might result from serving on  
32 the Board.

33 Revised Law

34 Sec. 1107.060. QUORUM; VOTING REQUIREMENT. (a) Four  
35 managers, not including the ex officio manager, constitute a  
36 quorum.

37 (b) A concurrence of a majority of the voting managers  
38 present is required in any matter relating to district business.

1 (Acts 58th Leg., R.S., Ch. 298, Sec. 6c(g).)

2 Source Law

3 (g) Four (4) members of the Board, not including  
4 the ex officio member, shall constitute a quorum, and a  
5 concurrence of a majority of the voting members of the  
6 Board present is required in all matters pertaining to  
7 the business of the District.

8 Revisor's Note

9 Section 6, Chapter 298, Acts of the 58th  
10 Legislature, Regular Session, 1963, provides that a  
11 majority of the board present constitutes a quorum.  
12 That specific provision was enacted in 1963 and has not  
13 been amended. The revised law omits that provision as  
14 impliedly repealed by Section 6c(g), Chapter 298, Acts  
15 of the 58th Legislature, Regular Session, 1963, which  
16 was last amended in 1989 and is codified in this  
17 section. The omitted law reads:

18 Sec. 6. . . . A majority of the Board  
19 of Hospital Managers present shall  
20 constitute a quorum for the transaction of  
21 any business. . . .

22 Revised Law

23 Sec. 1107.061. RECORDS OF PROCEEDINGS. (a) The board shall  
24 require the secretary to keep suitable records of all proceedings  
25 of each board meeting.

26 (b) After each meeting:

27 (1) the manager presiding at the meeting shall read  
28 and sign the record; and

29 (2) the secretary shall attest the record. (Acts 58th  
30 Leg., R.S., Ch. 298, Sec. 6 (part).)

31 Source Law

32 Sec. 6. . . . The Board shall require the  
33 Secretary to keep suitable records of all proceedings  
34 of each meeting of the Board. Such records shall be  
35 read and signed after each meeting by the Chairman or  
36 the member presiding, and attested by the  
37 Secretary. . . .

38 Revised Law

39 Sec. 1107.062. PERSONNEL MATTERS; CLOSED MEETING. A member  
40 or prospective member of the medical staff or a person who serves or

1 is being considered for a position as a medical director of services  
2 or departments in the district is a public officer or employee for  
3 purposes of Section 551.074, Government Code. (Acts 58th Leg.,  
4 R.S., Ch. 298, Sec. 6f.)

5 Source Law

6 Sec. 6f. A current or prospective member of the  
7 medical staff or a person who is serving as or is being  
8 considered for a position as a medical director of  
9 services or departments in the Hospital District is  
10 considered a "public officer or employee" for purposes  
11 of Section 2(g) of the open meetings law, Chapter 271,  
12 Acts of the 60th Legislature, Regular Session, 1967  
13 (Article 6252-17, Vernon's Texas Civil Statutes).

14 Revisor's Note

15 Section 6f, Chapter 298, Acts of the 58th  
16 Legislature, Regular Session, 1963, refers to "Section  
17 2(g) of the open meetings law, Chapter 271, Acts of the  
18 60th Legislature, Regular Session, 1967 (Article  
19 6252-17, Vernon's Texas Civil Statutes)." Chapter 271,  
20 Acts of the 60th Legislature, Regular Session, 1967  
21 (Article 6252-17, Vernon's Texas Civil Statutes), was  
22 codified in 1993 as Chapter 551, Government Code, and  
23 Section 2(g) of that act was codified as Section  
24 551.074, Government Code. The revised law is drafted  
25 accordingly.

26 Revised Law

27 Sec. 1107.063. DISTRICT ADMINISTRATOR. (a) The board  
28 shall appoint under terms prescribed by the board a general manager  
29 qualified by training and experience as the district administrator.

30 (b) The district administrator shall receive the  
31 compensation determined by the board.

32 (c) The board may remove the district administrator at any  
33 time.

34 (d) Before assuming the duties of district administrator,  
35 the administrator must execute a bond payable to the district in an  
36 amount of not less than \$10,000 that:

37 (1) is conditioned on the administrator performing  
38 well and faithfully the administrator's required duties; and

1 (2) contains any other condition the board requires.  
2 (Acts 58th Leg., R.S., Ch. 298, Sec. 6 (part).)

3 Source Law

4 Sec. 6. . . . The Board shall appoint under  
5 terms prescribed by the Board a general manager, to be  
6 known as the Administrator of the Hospital District.  
7 The Administrator shall receive such compensation as  
8 may be fixed by the Board. The Administrator shall be  
9 subject to removal at any time by the Board. The  
10 Administrator shall, before entering into the  
11 discharge of his duties, execute a bond payable to the  
12 District, in the amount of not less than Ten Thousand  
13 Dollars (\$10,000), conditioned that he shall well and  
14 faithfully perform the duties required of him, and  
15 containing such other conditions as the Board may  
16 require. . . . He shall be a person qualified by  
17 training and experience for the position of  
18 Administrator. . . .

19 Revised Law

20 Sec. 1107.064. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
21 Subject to any limitations prescribed by the board, the district  
22 administrator shall:

- 23 (1) perform the duties required by the board;  
24 (2) supervise the work and activities of the district;

25 and

26 (3) direct the affairs of the district. (Acts 58th  
27 Leg., R.S., Ch. 298, Sec. 6 (part).)

28 Source Law

29 Sec. 6. . . . The Administrator shall perform  
30 all duties which may be required of him by the Board,  
31 and shall supervise all of the work and activities of  
32 the District, and have general direction of the  
33 affairs of the District, within such limitations as  
34 may be prescribed by the Board. . . .

35 Revised Law

36 Sec. 1107.065. ASSISTANT TO DISTRICT ADMINISTRATOR. (a)  
37 The board may designate an assistant to the district administrator  
38 to discharge a duty or function of the administrator in the event of  
39 the administrator's incapacity, absence, or inability to discharge  
40 the duty or function.

41 (b) The assistant shall post bond and is subject to the  
42 limitations prescribed by board order. (Acts 58th Leg., R.S., Ch.  
43 298, Sec. 8.)



1 staff or for employment with the Hospital District,  
2 including:

- 3 (1) advertising and marketing;
- 4 (2) paying recruitment expenses;
- 5 (3) paying travel and relocation expenses;

6 and

7 (4) allowing a physician to use space in  
8 Hospital District facilities or paying the physician a  
9 rent subsidy for not more than one year after the date  
10 on which the physician is first admitted to the  
11 Hospital District's medical staff.

12 (c) The Board may provide loans or scholarships  
13 to persons who are enrolled in health care education  
14 courses and contractually agree to practice in or  
15 become employed by the Hospital District.

16 Revised Law

17 Sec. 1107.067. HEALTH CARE EDUCATIONAL PROGRAMS. The board  
18 may spend district money, enter into agreements, and take other  
19 necessary action to conduct, participate in, or assist health care  
20 educational programs for staff members or employees or potential  
21 staff members or employees. (Acts 58th Leg., R.S., Ch. 298, Sec.  
22 6d(b).)

23 Source Law

24 (b) The Board may spend Hospital District funds,  
25 enter into agreements, and take other necessary  
26 actions to conduct, participate in, or assist health  
27 care educational programs for current or potential  
28 staff members or employees.

29 Revised Law

30 Sec. 1107.068. LEGAL COUNSEL. (a) The appropriate county,  
31 district, or criminal district attorney charged with representing  
32 Titus County in civil matters shall represent the district in all  
33 legal matters.

34 (b) The district shall contribute sufficient money to the  
35 Titus County general fund for the account designated for the  
36 appropriate attorney described in Subsection (a) to pay all  
37 additional salaries and expenses incurred by the attorney in  
38 performing the duties required by the district.

39 (c) The board may employ additional legal counsel the board  
40 considers advisable. (Acts 58th Leg., R.S., Ch. 298, Secs. 1  
41 (part), 13.)

42 Source Law

43 Sec. 1. . . . Titus County (hereinafter  
44 referred to as the "County"), and . . . .



1 Revised Law

2 Sec. 1107.070. SEAL. The board shall have a seal engraved  
3 with the district's name to authenticate the acts of the board. The  
4 board secretary shall keep the seal. (Acts 58th Leg., R.S., Ch.  
5 298, Sec. 6 (part).)

6 Source Law

7 Sec. 6. . . . The Board shall have a seal, on  
8 which shall be engraved the name of the Hospital  
9 District; and said seal shall be kept by the Secretary  
10 and used in authentication of all acts of the  
11 Board. . . .

12 [Sections 1107.071-1107.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Revised Law

15 Sec. 1107.101. DISTRICT RESPONSIBILITY. The district has  
16 full responsibility for providing medical and hospital care for the  
17 district's needy and indigent residents. (Acts 58th Leg., R.S.,  
18 Ch. 298, Secs. 2 (part), 14 (part).)

19 Source Law

20 Sec. 2. That said District hereby provided for  
21 shall assume full responsibility for providing medical  
22 and hospital care for the needy residing within the  
23 District; . . . .

24 Sec. 14. . . . such Hospital District shall be  
25 deemed to have assumed full responsibility for the  
26 furnishing of medical and hospital care for the needy  
27 and indigent persons residing in said Hospital  
28 District from the date that taxes are collected for the  
29 Hospital District. . . .

30 Revisor's Note

31 Sections 2 and 14, Chapter 298, Acts of the 58th  
32 Legislature, Regular Session, 1963, provide that the  
33 district "shall assume" or "shall be deemed to have  
34 assumed" full responsibility for providing medical and  
35 hospital care for certain district residents and  
36 inhabitants, and Section 14 provides that the district  
37 shall assume that responsibility "from the date that  
38 taxes are collected for the Hospital District." The  
39 revised law substitutes "has" for "shall assume" and  
40 "shall be deemed to have assumed" because the duty to

1 assume the responsibility is executed. The revised  
2 law omits "from the date that taxes are collected for  
3 the Hospital District" as executed.

4 Revised Law

5 Sec. 1107.102. RESTRICTION ON COUNTY OR MUNICIPALITY  
6 TAXATION. Titus County or a municipality in the county may not  
7 impose a tax for hospital purposes. (Acts 58th Leg., R.S., Ch. 298,  
8 Sec. 14 (part).)

9 Source Law

10 Sec. 14. Neither the County nor any city therein  
11 shall, after the Hospital District has been organized  
12 in pursuance of this Act, levy any tax for hospital  
13 purposes; and . . . .

14 Revisor's Note

15 (1) Section 14, Chapter 298, Acts of the 58th  
16 Legislature, Regular Session, 1963, refers to a  
17 "city." The revised law substitutes "municipality"  
18 for "city" to conform to the terminology of the Local  
19 Government Code.

20 (2) Section 14, Chapter 298, Acts of the 58th  
21 Legislature, Regular Session, 1963, provides that  
22 "after the Hospital District has been organized in  
23 pursuance of this Act" certain political subdivisions  
24 may not levy a tax for hospital purposes. The revised  
25 law omits the quoted language as executed. In  
26 addition, throughout this chapter, the revised law  
27 substitutes "impose" for "levy" because, in the  
28 context of taxation, the terms are synonymous and  
29 "impose" is more commonly used.

30 Revised Law

31 Sec. 1107.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
32 The board shall manage, control, and administer the district's  
33 hospital or hospital system. (Acts 58th Leg., R.S., Ch. 298, Sec. 6  
34 (part).)

35 Source Law

36 Sec. 6. . . . The duties of the Board of

1 Hospital Managers shall be to manage, control and  
2 administer the hospital or hospital system of the  
3 Hospital District. . . .

4 Revised Law

5 Sec. 1107.104. RULES. The board may adopt rules for the  
6 operation of the hospital or hospital system. (Acts 58th Leg.,  
7 R.S., Ch. 298, Sec. 6 (part).)

8 Source Law

9 Sec. 6. . . . The Board of Hospital Managers  
10 shall have the power and authority . . . to promulgate  
11 rules and regulations for the operation of the  
12 hospital or hospital system. . . .

13 Revisor's Note

14 Section 6, Chapter 298, Acts of the 58th  
15 Legislature, Regular Session, 1963, provides that the  
16 board may "promulgate rules and regulations." The  
17 revised law substitutes "adopt" for "promulgate"  
18 because the terms are synonymous and the former is more  
19 commonly used. The revised law omits "regulations"  
20 because under Section 311.005(5), Government Code  
21 (Code Construction Act), a rule is defined to include a  
22 regulation.

23 Revised Law

24 Sec. 1107.105. PURCHASING AND ACCOUNTING. (a) The board  
25 may prescribe:

26 (1) the method and manner of making purchases and  
27 expenditures by and for the district; and

28 (2) all accounting and control procedures.

29 (b) The district shall pay the salaries and expenses  
30 necessarily incurred by the board or by an officer or agent of the  
31 board in performing a duty prescribed or required by this chapter.

32 (c) An officer, employee, or agent of the board shall  
33 perform any function or service prescribed by the board under this  
34 section or Section 1107.152. (Acts 58th Leg., R.S., Ch. 298, Sec. 7  
35 (part).)

36 Source Law

37 Sec. 7. The Board of Hospital Managers shall  
38 have the power to prescribe the method and manner of

1 making purchases and expenditures by and for such  
2 Hospital District, and also shall be authorized to  
3 prescribe all accounting and control procedures. . . .  
4 The Hospital District shall pay all salaries and  
5 expenses necessarily incurred by the Board or any of  
6 its officers and agents in performing any duties which  
7 may be prescribed or required under this Act. It shall  
8 be the duty of any officer, employee or agent of the  
9 Board to perform and carry out any function or service  
10 prescribed by the Board hereunder.

11 Revised Law

12 Sec. 1107.106. DISTRICT FACILITIES. The board may:

- 13 (1) purchase or build facilities for medical purposes;  
14 and  
15 (2) rent the facilities or space in the facilities at a  
16 rate sufficient to cover the district's cost. (Acts 58th Leg.,  
17 R.S., Ch. 298, Sec. 6e(a).)

18 Source Law

19 Sec. 6e. (a) The Board may purchase or build  
20 facilities for medical purposes and may rent the  
21 facilities or space in the facilities at a rate  
22 sufficient to cover the Hospital District's cost.

23 Revised Law

24 Sec. 1107.107. PROMOTION OF DISTRICT SERVICES. The board  
25 may market or advertise to promote district services, the orderly  
26 operation of the district, and the appropriate delivery of health  
27 care in the district. (Acts 58th Leg., R.S., Ch. 298, Sec. 6e(b).)

28 Source Law

29 (b) The Board may market or advertise to promote  
30 Hospital District services, the orderly operation of  
31 the Hospital District, and the appropriate delivery of  
32 health care in the Hospital District.

33 Revised Law

34 Sec. 1107.108. EMINENT DOMAIN. (a) The district may  
35 exercise the power of eminent domain to acquire a fee simple or  
36 other interest in any type of property, real, personal, or mixed,  
37 located in district territory, if the interest is necessary or  
38 convenient to exercise a right, power, privilege, or function  
39 conferred on the district by this chapter.

40 (b) The district must exercise the power of eminent domain  
41 in the manner provided by Chapter 21, Property Code, except the  
42 district is not required to deposit in the trial court money or a

1 bond as provided by Section 21.021(a), Property Code.

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

4 (1) pay in advance or provide a bond for the issuance  
5 of a temporary restraining order or a temporary injunction; or

6 (2) provide a bond for costs or a supersedeas bond on  
7 an appeal or petition for review. (Acts 58th Leg., R.S., Ch. 298,  
8 Sec. 10.)

9 Source Law

10 Sec. 10. The Hospital District organized in  
11 pursuance of this Act shall have the right and power of  
12 eminent domain for the purpose of acquiring by  
13 condemnation any and all property of any kind or  
14 character, real, personal or mixed, or any interest  
15 therein, including outright ownership of such property  
16 in fee simple absolute, within the boundaries of the  
17 said District, necessary or convenient to the exercise  
18 of the rights, powers, privileges and functions  
19 conferred upon it by this Act, in the manner provided  
20 by General Law with respect to condemnation; provided  
21 that the said District shall not be required to make  
22 deposits in the registry of the trial court of the sum  
23 required by paragraph numbered 2 in Article 3268,  
24 Vernon's Civil Statutes, 1925, or to make the bond  
25 required therein. In condemnation proceedings being  
26 prosecuted by the said District, the District shall  
27 not be required to pay in advance or give any bond  
28 otherwise required for the issuance of a temporary  
29 restraining order or a temporary injunction relating  
30 to a condemnation proceeding, nor to give bond for  
31 costs or for supersedeas or any appeal or writ of error  
32 proceeding to any Court of Civil Appeals, or to the  
33 Supreme Court.

34 Revisor's Note

35 (1) Section 10, Chapter 298, Acts of the 58th  
36 Legislature, Regular Session, 1963, provides that the  
37 district has the "right and power of eminent domain for  
38 the purpose of acquiring [property] by condemnation."  
39 The revised law substitutes for the quoted language  
40 "may exercise the power of eminent domain to acquire  
41 [property]" because the phrases have the same meaning,  
42 and the latter phrase is consistent with modern usage  
43 in laws relating to eminent domain.

44 (2) Section 10, Chapter 298, Acts of the 58th  
45 Legislature, Regular Session, 1963, provides that the  
46 district must exercise the power of eminent domain in

1 the manner provided by "General Law with respect to  
2 condemnation." The revised law substitutes for the  
3 quoted language a reference to Chapter 21, Property  
4 Code, because that is the general law governing  
5 eminent domain for governmental entities.

6 (3) Section 10, Chapter 298, Acts of the 58th  
7 Legislature, Regular Session, 1963, refers to  
8 "paragraph numbered 2 in Article 3268, Vernon's Civil  
9 Statutes, 1925." That statute was codified in 1983 as  
10 Section 21.021(a), Property Code. The revised law is  
11 drafted accordingly.

12 (4) Section 10, Chapter 298, Acts of the 58th  
13 Legislature, Regular Session, 1963, provides that the  
14 district is not required "to give bond for costs or for  
15 supersedeas or any appeal." The revised law  
16 substitutes "on an appeal" for "or any appeal" because  
17 it is clear from the context that "or" is a  
18 typographical error and that the legislature intended  
19 to use the phrase "on any appeal."

20 (5) Section 10, Chapter 298, Acts of the 58th  
21 Legislature, Regular Session, 1963, provides that the  
22 district is not required to provide bond on any appeal  
23 or "writ of error proceeding" to "any Court of Civil  
24 Appeals, or to the Supreme Court." The revised law  
25 substitutes "petition for review" for "writ of error"  
26 because, effective September 1, 1997, the Texas  
27 Supreme Court replaced the writ of error procedure  
28 with the petition for review procedure. See Rule 53.1,  
29 Texas Rules of Appellate Procedure. The revised law  
30 omits the references to the court of civil appeals (now  
31 the court of appeals) and the supreme court because  
32 those are the only courts to which the district may  
33 appeal or with which the district may file a petition  
34 for review.

1 Revised Law

2 Sec. 1107.109. 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 provisions prescribed in writing by the  
6 donor that are not inconsistent with the proper management and  
7 objectives of the district. (Acts 58th Leg., R.S., Ch. 298, Sec.  
8 16.)

9 Source Law

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

19 Revisor's Note

20 Section 16, Chapter 298, Acts of the 58th  
21 Legislature, Regular Session, 1963, refers to  
22 "donations" and "gifts." The revised law omits  
23 "donations" because "donations" is included in the  
24 meaning of "gifts."

25 Revised Law

26 Sec. 1107.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
27 CARE AND TREATMENT. The board may contract with:

28 (1) any county for the care and treatment of a sick or  
29 injured person of that county; and

30 (2) this state or a federal agency for the care and  
31 treatment of a sick or injured person for whom the state or agency  
32 is responsible. (Acts 58th Leg., R.S., Ch. 298, Secs. 6 (part),  
33 6c(c).)

34 Source Law

35 Sec. 6. . . . [The Board of Hospital Managers,  
36 with the approval of the Commissioners Court,] shall  
37 be authorized to contract with any county for care and  
38 treatment of the county's sick, diseased and injured  
39 persons, and with the State and agencies of the Federal  
40 Government for the care and treatment of such persons  
41 for whom the State and such agencies of the Federal  
42 Government are responsible. . . .

1 [Sec. 6c]

2 (c) The Board of Managers may exercise, without  
3 the approval of the Commissioners Court, any power  
4 provided by this Act to be exercised by the  
5 Commissioners Court or by the Board of Managers.

6 Revisor's Note

7 Section 6, Chapter 298, Acts of the 58th  
8 Legislature, Regular Session, 1963, refers to the  
9 treatment of "sick, diseased and injured persons."  
10 The revised law omits "diseased" because "diseased" is  
11 included in the meaning of "sick."

12 Revised Law

13 Sec. 1107.111. PAYMENT FOR TREATMENT; PROCEDURES. (a)

14 When a patient from Titus County is admitted to a district facility,  
15 the district administrator shall have an inquiry made into the  
16 circumstances of:

17 (1) the patient; and

18 (2) the patient's relatives legally liable for the  
19 patient's support.

20 (b) If the district administrator determines that the  
21 patient or those relatives cannot pay for all or part of the  
22 patient's care and treatment in the hospital, the amount that  
23 cannot be paid becomes a charge against the district.

24 (c) If the district administrator determines that the  
25 patient or those relatives can pay for all or part of the patient's  
26 care and treatment, the patient or those relatives shall be ordered  
27 to pay the district a specified amount each week for the patient's  
28 support. The amount ordered must be proportionate to their  
29 financial ability and may not exceed the actual per capita cost of  
30 maintenance.

31 (d) The district administrator may collect the amount from  
32 the patient's estate, or from those relatives legally liable for  
33 the patient's support, in the manner provided by law for the  
34 collection of expenses of the last illness of a deceased person.

35 (e) If there is a dispute as to the ability to pay, or doubt  
36 in the mind of the district administrator, the county court shall

1 hold a hearing and, after calling witnesses, shall:

2 (1) resolve the dispute or doubt; and

3 (2) issue any appropriate orders.

4 (f) Either party to the dispute may appeal the order to the  
5 district court. (Acts 58th Leg., R.S., Ch. 298, Sec. 15.)

6 Source Law

7 Sec. 15. Whenever a patient has been admitted to  
8 the facilities of the Hospital District from the  
9 County, the Administrator shall cause inquiry to be  
10 made as to his circumstances, and of the relatives of  
11 such patient legally liable for his support. If he  
12 finds that such patient or said relatives are liable to  
13 pay for his care and treatment in whole or in part, an  
14 order shall be made directing such patient, or said  
15 relatives, to pay to the Hospital District for the care  
16 of such patient a specified sum per week, in proportion  
17 to their financial ability, but such sum shall not  
18 exceed the actual per capita cost of maintenance. The  
19 Administrator shall have power and authority to  
20 collect such sum from the estate of the patient, or his  
21 relatives legally liable for his support, in the  
22 manner provided by law for the collection of expenses  
23 of the last illness of a deceased person. If the  
24 Administrator finds that such patient or said  
25 relatives are not able to pay, either in whole or in  
26 part, for his care and treatment in such hospital, the  
27 same shall become a charge upon the Hospital District.  
28 Should there be a dispute as to the ability to pay, or  
29 doubt in the mind of the Administrator, the County  
30 Court shall hear and determine same, after calling  
31 witnesses, and shall make such order as may be proper,  
32 from which appeal shall lie to the District Court by  
33 either party to the dispute.

34 Revised Law

35 Sec. 1107.112. AUTHORITY TO SUE AND BE SUED. The board may  
36 sue and be sued. (Acts 58th Leg., R.S., Ch. 298, Sec. 6 (part).)

37 Source Law

38 Sec. 6. . . . [The Board of Hospital Managers  
39 shall have the power and authority] to sue and be sued  
40 and . . . .

41 Revisor's Note  
42 (End of Subchapter)

43 Section 12, Chapter 298, Acts of the 58th  
44 Legislature, Regular Session, 1963, provides  
45 authority for the "Texas Department of Health" to  
46 inspect hospital district facilities and records. The  
47 revised law omits Section 12 because various state  
48 laws, including Chapters 222 and 241, Health and  
49 Safety Code, provide the necessary inspection

1 authority to appropriate state agencies. The omitted  
2 law reads:

3 Sec. 12. The Hospital District  
4 established or maintained under the  
5 provisions of this Act shall be subject to  
6 inspection by any duly authorized  
7 representative of the Texas Department of  
8 Health, and resident officers shall admit  
9 such representatives into all Hospital  
10 District facilities and give them access on  
11 demand to all records, reports, books,  
12 papers, and accounts pertaining to the  
13 Hospital District.

14 [Sections 1107.113-1107.150 reserved for expansion]

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Revised Law

17 Sec. 1107.151. BUDGET. (a) The district administrator,  
18 under the direction of the board, shall prepare an annual budget.

19 (b) The budget must be approved by the board. (Acts 58th  
20 Leg., R.S., Ch. 298, Sec. 9 (part).)

21 Source Law

22 Sec. 9. . . . Under the direction of the Board  
23 of Hospital Managers, he [the administrator] shall  
24 prepare an annual budget which shall be approved by the  
25 Board of Hospital Managers.

26 Revised Law

27 Sec. 1107.152. ANNUAL AUDIT. As soon as practicable after  
28 the close of each fiscal year, the board shall have an audit made of  
29 the district's books and records for the fiscal year by an  
30 independent public accountant. (Acts 58th Leg., R.S., Ch. 298,  
31 Sec. 7 (part).)

32 Source Law

33 Sec. 7. . . . The Board shall cause an annual  
34 audit to be made of the books and records of the  
35 District as soon as practicable after the close of each  
36 fiscal year, such audit to cover such fiscal year, and  
37 to be made by an independent public accountant. . . .

38 Revised Law

39 Sec. 1107.153. FINANCIAL REPORT. (a) As soon as  
40 practicable after the close of each fiscal year, the district  
41 administrator shall prepare a report that includes:

42 (1) a complete sworn statement of:

43 (A) all money and choses in action received by

1 the administrator; and

2 (B) how the money and choses in action were  
3 disbursed or otherwise disposed; and

4 (2) the details of district operation during the  
5 preceding fiscal year.

6 (b) The district administrator shall make the report to:

7 (1) the board; and

8 (2) the Titus County Commissioners Court. (Acts 58th  
9 Leg., R.S., Ch. 298, Sec. 9 (part).)

10 Source Law

11 Sec. 9. Once each year, as soon as practicable  
12 after the close of the fiscal year, the Administrator  
13 of the Hospital District shall report to the Board of  
14 Hospital Managers and the Commissioners Court, a full  
15 sworn statement of all moneys and choses in action  
16 received by such Administrator and how disbursed or  
17 otherwise disposed of. Such report shall show in  
18 detail the operations of the District for the  
19 year. . . .

20 Revised Law

21 Sec. 1107.154. DEPOSITORY. (a) After advertising in the  
22 manner provided by Chapter 252 and Subchapter C, Chapter 262, Local  
23 Government Code, the board shall choose by competitive bidding at  
24 least one bank to serve as depository for district money.

25 (b) All income received by the district shall be deposited  
26 in the district depository. (Acts 58th Leg., R.S., Ch. 298, Secs.  
27 3(b) (part), 11 (part).)

28 Source Law

29 [Sec. 3]  
30 (b) . . . All other income of the Hospital  
31 District shall be deposited in like manner with the  
32 district depository. . . .

33 Sec. 11. After advertising in the manner  
34 provided by Chapter 163, General Laws, Acts of the 42nd  
35 Legislature, Regular Session, 1931 (Article 2368a,  
36 Vernon's Texas Civil Statutes), the board shall choose  
37 by competitive bidding at least one bank to serve as  
38 depository for the funds of the district. . . .

39 Revisor's Note

40 (1) Section 11, Chapter 298, Acts of the 58th  
41 Legislature, Regular Session, 1963, refers to "Chapter  
42 163, General Laws, Acts of the 42nd Legislature,

1 Regular Session, 1931 (Article 2368a, Vernon's Texas  
2 Civil Statutes)." Article 2368a was amended by Chapter  
3 641, Acts of the 69th Legislature, Regular Session,  
4 1985, which transferred provisions relating to  
5 competitive bidding and advertising for bids by  
6 counties to the County Purchasing Act (Article  
7 2368a.5, Vernon's Texas Civil Statutes). The County  
8 Purchasing Act was codified in 1987 as Subchapter C,  
9 Chapter 262, Local Government Code. The provisions of  
10 Article 2368a relating to competitive bidding and  
11 advertising for bids by municipalities were codified  
12 in 1987 as Chapter 252, Local Government Code. The  
13 revised law is drafted accordingly.

14 (2) Section 11, Chapter 298, Acts of the 58th  
15 Legislature, Regular Session, 1963, requires a bank to  
16 provide a specified amount of collateral to ensure the  
17 security of district funds deposited at the bank. The  
18 revised law omits the provision as superseded by  
19 Subchapter B, Chapter 2257, Government Code (enacted  
20 in 1989 as Article 2529d, Vernon's Texas Civil  
21 Statutes), and specifically by Sections 2257.021 and  
22 2257.022 of that subchapter, which establish the  
23 amount of collateral required for a deposit of public  
24 funds. Subchapter B, Chapter 2257, Government Code,  
25 applies to the security for district funds under  
26 Sections 2257.002 and 2257.004, Government Code. The  
27 omitted law reads:

28 Sec. 11. . . . Before the district  
29 deposits funds in a bank in an amount that  
30 exceeds the maximum amount secured by the  
31 Federal Deposit Insurance Corporation, the  
32 bank must execute a bond or other security  
33 in an amount sufficient to secure from loss  
34 the district funds that exceed the amount  
35 secured by the Federal Deposit Insurance  
36 Corporation.

37 Revised Law

38 Sec. 1107.155. WARRANTS. A warrant against district money

1 does not require the signature of the county clerk of Titus County.  
2 (Acts 58th Leg., R.S., Ch. 298, Sec. 3(b) (part).)

3 Source Law

4 (b) . . . Warrants against the Hospital  
5 District funds shall not require the signature of the  
6 County Clerk.

7 [Sections 1107.156-1107.200 reserved for expansion]

8 SUBCHAPTER E. BONDS

9 Revised Law

10 Sec. 1107.201. BONDS. The board may issue and sell bonds as  
11 district obligations for any purpose relating to:

12 (1) the purchase, construction, acquisition, repair,  
13 or renovation of buildings and improvements; and

14 (2) equipping buildings and improvements for hospital  
15 purposes. (Acts 58th Leg., R.S., Ch. 298, Secs. 4 (part), 6c(e)  
16 (part).)

17 Source Law

18 Sec. 4. The Commissioners Court shall have the  
19 power and authority to issue and sell as the  
20 obligations of such Hospital District, bonds for the  
21 purchase, construction, acquisition, repair or  
22 renovation of buildings and improvements and equipping  
23 same, for hospital purposes and for any or all of such  
24 purposes; . . . .

25 [Sec. 6c]

26 (e) The Board of Managers rather than the  
27 Commissioners Court may issue and sell bonds of the  
28 District, in the manner provided by Section 4 of this  
29 Act . . . .

30 Revised Law

31 Sec. 1107.202. TAX TO PAY BONDS. (a) An ad valorem tax  
32 shall be imposed at a rate sufficient to create an interest and  
33 sinking fund to pay the principal of and interest on bonds issued  
34 under Section 1107.201 as the bonds mature.

35 (b) The tax required by this section together with any other  
36 ad valorem tax imposed for the district may not in any year exceed  
37 75 cents on each \$100 valuation of taxable property in the district.  
38 (Acts 58th Leg., R.S., Ch. 298, Sec. 4 (part).)

39 Source Law

40 Sec. 4. . . . provided, that a sufficient tax  
41 shall be levied to create an interest and sinking fund

1 to pay the interest and principal as same matures  
2 provided said tax together with any other taxes levied  
3 for said District shall not exceed seventy-five cents  
4 (75¢) on the One Hundred Dollar valuation in any one  
5 year. . . .

6 Revisor's Note

7 Section 4, Chapter 298, Acts of the 58th  
8 Legislature, Regular Session, 1963, requires the levy  
9 of a tax to pay the principal of and interest on bonds.  
10 The revised law specifies that the tax is an "ad  
11 valorem" tax because it is clear from the source law  
12 that the tax is a property tax. Section 1(b), Article  
13 VIII, Texas Constitution, requires all property that  
14 is taxed to be taxed in proportion to its value, and  
15 accordingly "ad valorem" tax is the term most commonly  
16 used in Texas law to refer to a tax on property.

17 Revised Law

18 Sec. 1107.203. BOND ELECTION. The district may issue bonds  
19 only if the bonds are authorized by a majority of the district  
20 voters voting at an election called by the board and held in  
21 accordance with the provisions of Chapter 1251, Government Code,  
22 relating to county bonds. (Acts 58th Leg., R.S., Ch. 298, Secs. 4  
23 (part), 6c(e) (part).)

24 Source Law

25 Sec. 4. . . . No bonds shall be issued by such  
26 Hospital District . . . until authorized by a majority  
27 vote of the legally qualified property taxpaying  
28 voters residing in such Hospital District voting at an  
29 election called and held in accordance with the  
30 provisions of Chapter 1, Title 22, of the Revised Civil  
31 Statutes of the State of Texas, 1925, as amended,  
32 relating to county bonds. Such election may be called  
33 by the Commissioners Court on its own motion, or shall  
34 be called by it after request therefor by the Board of  
35 Hospital Managers of the District; and . . . .

36 [Sec. 6c]

37 (e) [The Board of Managers rather than the  
38 Commissioners Court may issue and sell bonds of the  
39 District, in the manner provided by Section 4 of this  
40 Act] except that any election on the issuance of bonds  
41 shall be called by the Board and . . . .

42 Revisor's Note

43 (1) Section 4, Chapter 298, Acts of the 58th  
44 Legislature, Regular Session, 1963, refers to the

1 "legally qualified" voters of the district. The  
2 revised law omits the quoted language as unnecessary  
3 in this context because Chapter 11, Election Code,  
4 governs eligibility to vote in an election in this  
5 state and allows only "legally qualified" voters who  
6 are residents of the territory covered by the election  
7 to vote in an election.

8 (2) Section 4, Chapter 298, Acts of the 58th  
9 Legislature, Regular Session, 1963, refers to  
10 "property taxpaying" voters. The revised law omits  
11 the quoted language because in Hill v. Stone, 421 U.S.  
12 289 (1975), the United States Supreme Court determined  
13 that property ownership as a qualification for voting  
14 is an unconstitutional denial of equal protection.

15 (3) Section 4, Chapter 298, Acts of the 58th  
16 Legislature, Regular Session, 1963, refers to an  
17 election held as provided by "Chapter 1, Title 22, of  
18 the Revised Civil Statutes of the State of Texas, 1925,  
19 as amended." The election provisions of Chapter 1,  
20 Title 22, Revised Statutes, are revised as Chapter  
21 1251, Government Code, and the revised law is drafted  
22 accordingly. The revised law omits the reference to  
23 "as amended" throughout this chapter because under  
24 Section 311.027, Government Code (Code Construction  
25 Act), a reference to a statute applies to all  
26 reenactments, revisions, or amendments of that statute  
27 unless expressly provided otherwise.

28 (4) Section 4, Chapter 298, Acts of the 58th  
29 Legislature, Regular Session, 1963, provides that the  
30 persons responsible for conducting and arranging the  
31 details of countywide elections are responsible for  
32 conducting a bond election for the district. The  
33 revised law omits that provision as impliedly repealed  
34 by Section 6c(e) (added by Chapter 156, Acts of the





1 required to be paid upon the bonds to be  
2 refunded as a condition to payment in  
3 advance of their stated maturity dates  
4 shall be taken into account as an addition  
5 to the net interest cost to the Hospital  
6 District of the refunding bonds.

7 Revised Law

8 Sec. 1107.205. EXECUTION OF BONDS. The board's presiding  
9 officer shall execute the district's bonds in the district's name  
10 and the board secretary shall countersign the bonds in the manner  
11 provided by Chapter 618, Government Code. (Acts 58th Leg., R.S.,  
12 Ch. 298, Secs. 4 (part), 6c(e) (part).)

13 Source Law

14 Sec. 4. . . . Such bonds shall be executed in  
15 the name of the Hospital District and on its behalf by  
16 the County Judge of the County, and countersigned by  
17 the County Clerk, and . . . .

18 [Sec. 6c]

19 (e) [The Board of Managers rather than the  
20 Commissioners Court may issue and sell bonds of the  
21 District, in the manner provided by Section 4 of this  
22 Act] . . . except that the bonds shall be executed on  
23 behalf of the District by the Chairman of the Board and  
24 countersigned by the Secretary of the Board in the  
25 manner provided by Chapter 204, Acts of the 57th  
26 Legislature, Regular Session, 1961, as amended  
27 (Article 717j-1, Vernon's Texas Civil Statutes).

28 Revisor's Note

29 Section 6c(e), Chapter 298, Acts of the 58th  
30 Legislature, Regular Session, 1963, refers to Chapter  
31 204, Acts of the 57th Legislature, Regular Session,  
32 1961, as amended (Article 717j-1, Vernon's Texas Civil  
33 Statutes). That statute was codified in 1999 as  
34 Chapter 618, Government Code, and the revised law is  
35 drafted accordingly.

36 Revisor's Note  
37 (End of Subchapter)

38 (1) Section 4, Chapter 298, Acts of the 58th  
39 Legislature, Regular Session, 1963, provides that  
40 district bonds are subject to the law governing  
41 counties that relates to bond approval by the attorney  
42 general and registration of the bonds by the  
43 comptroller. The revised law omits those provisions  
44 as superseded by Chapter 1202, Government Code

1 (enacted as Article 3, Chapter 53, Acts of the 70th  
2 Legislature, 2nd Called Session, 1987). Section  
3 1202.003(a), Government Code, requires bonds to be  
4 submitted to the attorney general. Section  
5 1202.003(b), Government Code, provides for approval of  
6 the bonds by the attorney general and requires the  
7 attorney general to submit the approved bonds to the  
8 comptroller for registration. Section 1202.005,  
9 Government Code, requires registration of the bonds by  
10 the comptroller. Section 1202.006, Government Code,  
11 provides that after approval and registration the  
12 bonds are incontestable and binding obligations.  
13 Chapter 1202, Government Code, applies to district  
14 bonds by application of Section 1202.001, Government  
15 Code. The omitted law reads:

16           Sec. 4. . . . [Such bonds] . . .  
17 shall be subject to the same requirements in  
18 the matter of approval thereof by the  
19 Attorney General of the State of Texas and  
20 the registration thereof by the Comptroller  
21 of Public Accounts of the State of Texas as  
22 are by law provided for such approval and  
23 registration of bonds of such County; and  
24 the approval of such bonds by the Attorney  
25 General shall have the same force and effect  
26 as is by law given to his approval of bonds  
27 of the County. . . .

28           (2) Section 17, Chapter 298, Acts of the 58th  
29 Legislature, Regular Session, 1963, provides that  
30 district bonds are legal and authorized investments  
31 for certain entities. The revised law omits the  
32 provision as unnecessary. As to several of the  
33 entities listed, Section 17 has been superseded and  
34 impliedly repealed or it duplicates existing law.  
35 Investments in securities by banks are regulated by  
36 Section 34.101, Finance Code (enacted in 1995 as  
37 Section 5.101, Texas Banking Act (Article 342-5.101,  
38 Vernon's Texas Civil Statutes)). Investments in  
39 securities by savings banks are regulated by Section  
40 93.001(c)(10), Finance Code (enacted in 1993 as

1 Section 7.15(10), Texas Savings Bank Act (Article  
2 489e, Vernon's Texas Civil Statutes)). Investments in  
3 securities by trust companies are regulated by Section  
4 184.101, Finance Code (enacted in 1997 as Section  
5 5.101, Texas Trust Company Act (Article 342a-5.101,  
6 Vernon's Texas Civil Statutes)). Investments in  
7 securities by building and loan associations (now  
8 called savings and loan associations) are regulated by  
9 Sections 63.002 and 64.001, Finance Code. As to the  
10 remaining entities listed, Section 17 is superseded by  
11 Section 1201.041, Government Code, enacted as Section  
12 9, Bond Procedures Act of 1981 (Article 717k-6,  
13 Vernon's Texas Civil Statutes). Section 1201.041,  
14 Government Code, applies to district bonds by  
15 application of Section 1201.002, Government Code.  
16 While Section 17 lists "guardians" and Section  
17 1201.041 does not, Section 1201.041 includes  
18 "fiduciaries" and a guardian is a fiduciary. The  
19 omitted law reads:

20           Sec. 17. All bonds (including  
21           refunding bonds) issued by or assumed by the  
22           District authorized to be established and  
23           created under the provisions of this Act  
24           shall be and are declared to be legal and  
25           authorized investments for banks, savings  
26           banks, trust companies, fiduciaries,  
27           building and loan associations, insurance  
28           companies, trustees, guardians, and for the  
29           sinking funds of cities, towns, villages,  
30           counties, school districts, or other  
31           political corporations or subdivisions of  
32           the State of Texas; and . . . .

33           (3) Section 17, Chapter 298, Acts of the 58th  
34           Legislature, Regular Session, 1963, provides that  
35           district bonds may secure certain deposits. Although  
36           Section 17 does not specifically mention the deposits  
37           the bonds are eligible to secure, the only deposits  
38           they could secure would be deposits of public funds of  
39           this state or political subdivisions of this state. As  
40           such, the revised law omits the provisions as



1 the hospital system, and for the acquisition of  
2 necessary sites therefor, by purchase, lease or  
3 condemnation.

4 [Sec. 6c]

5 (d) The Board of Managers rather than the  
6 Commissioners Court shall levy taxes for the District  
7 as provided by Section 3 of this Act.

8 Revised Law

9 Sec. 1107.252. TAX RATE. The board shall impose the tax at  
10 a rate not to exceed 75 cents on each \$100 valuation of all property  
11 in the district subject to district taxation. (Acts 58th Leg.,  
12 R.S., Ch. 298, Sec. 3(a) (part).)

13 Source Law

14 Sec. 3. (a) [The Commissioners Court of the  
15 County shall . . . levy on all property subject to  
16 hospital district taxation, . . . the tax] not to  
17 exceed seventy-five cents (75¢) on the One Hundred  
18 Dollar valuation of all taxable property within the  
19 Hospital District, . . . .

20 Revised Law

21 Sec. 1107.253. COLLECTION BY COUNTY TAX  
22 ASSESSOR-COLLECTOR. Unless the board elects to have district taxes  
23 assessed and collected by its own tax assessor-collector under  
24 Section 1107.254, the tax assessor-collector of Titus County shall  
25 assess and collect taxes imposed by the district. (Acts 58th Leg.,  
26 R.S., Ch. 298, Sec. 3(b) (part).)

27 Source Law

28 (b) Unless the Board of Managers elects to  
29 employ a Tax Assessor and Collector for the District  
30 under Subsection (c) of this Section, the tax so levied  
31 shall be collected on all property subject to hospital  
32 district taxation by the Assessor and Collector of  
33 taxes for the County . . . .

34 Revisor's Note

35 (1) Sections 3(a) and (b), Chapter 298, Acts of  
36 the 58th Legislature, Regular Session, 1963, last  
37 amended by Chapter 156, Acts of the 67th Legislature,  
38 Regular Session, 1981, require the board to impose  
39 property taxes on county values at the same time county  
40 taxes are imposed and require that the taxes be  
41 collected in the same manner and under the same  
42 conditions as county taxes. The revised law omits

1 those provisions because they have been superseded and  
2 impliedly repealed or they duplicate existing law.  
3 Section 1.02, Tax Code, requires all taxing units of  
4 government to administer the assessment, collection,  
5 and enforcement of taxes in conformity with Title 1,  
6 Tax Code. Chapter 6, Tax Code, enacted in 1979 and last  
7 amended in 2011, provides that appraisal districts  
8 appraise property in the district for each taxing  
9 unit, including a hospital district. Chapter 26, Tax  
10 Code, enacted in 1979 and last amended in 2011,  
11 prescribes the procedures and timelines that each  
12 taxing unit must follow to set the unit's tax rate.  
13 Chapter 33, Tax Code, enacted in 1979 and last amended  
14 in 2011, prescribes the procedures that each taxing  
15 unit must follow to collect property taxes. The  
16 omitted law reads:

17 (a) . . . [to levy on all property  
18 subject to hospital district taxation, for  
19 the benefit of the District] at the same  
20 time taxes are levied for county purposes,  
21 [the tax] . . . .

22 (b) . . . [the tax so levied shall be  
23 collected] . . . on the county tax values,  
24 and in the same manner and under the same  
25 conditions as county taxes. . . .

26 (2) Section 3(b), Chapter 298, Acts of the 58th  
27 Legislature, Regular Session, 1963, last amended by  
28 Chapter 156, Acts of the 67th Legislature, Regular  
29 Session, 1981, provides that the county tax  
30 assessor-collector may charge a fee for the assessment  
31 and collection of district taxes. The revised law  
32 omits that provision because it has been superseded  
33 and impliedly repealed. See Revisor's Note (1).  
34 Section 6.27(b), Tax Code, enacted in 1979 and last  
35 amended in 2005, provides for the compensation of a  
36 county tax assessor-collector assessing and  
37 collecting taxes for another taxing unit. The omitted  
38 law reads:

1 (b) . . . The Assessor and Collector  
2 of taxes shall charge and deduct from  
3 payments to the Hospital District the fees  
4 for assessing and collecting the tax at the  
5 rate of not exceeding two per cent (2%) of  
6 the amounts collected as may be determined  
7 by the Commissioners Court. Such fees shall  
8 be deposited in the County's General Fund,  
9 and shall be reported as fees of Office of  
10 the Tax Assessor and Collector. . . .

11 (3) Section 3(b), Chapter 298, Acts of the 58th  
12 Legislature, Regular Session, 1963, last amended by  
13 Chapter 156, Acts of the 67th Legislature, Regular  
14 Session, 1981, provides that interest and penalties on  
15 district taxes and discounts are the same as for county  
16 taxes. The revised law omits those provisions as  
17 unnecessary. Chapter 33, Tax Code, enacted in 1979 and  
18 last amended in 2011, provides for the assessment of  
19 penalties and interest on delinquent taxes by all  
20 taxing units, and Section 31.05, Tax Code, enacted in  
21 1979 and last amended in 2011, provides for local  
22 option discounts for all taxing units on the early  
23 payment of taxes. The omitted law reads:

24 (b) . . . Interest and penalties on  
25 taxes paid to the Hospital District shall be  
26 the same as in the case of county taxes.  
27 Discounts shall be the same as for county  
28 taxes. . . .

29 (4) Section 3(b), Chapter 298, Acts of the 58th  
30 Legislature, Regular Session, 1963, last amended by  
31 Chapter 156, Acts of the 67th Legislature, Regular  
32 Session, 1981, provides that tax revenue shall be  
33 deposited in the district's depository. The revised  
34 law omits the provision as unnecessary. See Revisor's  
35 Note (1). Section 31.10, Tax Code, requires the tax  
36 assessor-collector of a taxing unit to deposit taxes  
37 collected in the unit's depository. The revised law  
38 omits the provision regarding withdrawal of tax  
39 revenue because the provisions of this chapter  
40 regarding the expenditure of district money apply on  
41 their own terms. The omitted law reads:

1 (b) . . . The residue of tax  
2 collections, after deduction of discounts  
3 and fees for assessing and collecting,  
4 shall be deposited in the district  
5 depository; and such funds shall be  
6 withdrawn only as provided herein. . . .

7 Revised Law

8 Sec. 1107.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
9 ASSESSOR-COLLECTOR. (a) The board may elect to employ a tax  
10 assessor-collector to assess and collect district taxes by adopting  
11 an appropriate resolution before December 1 of any year. The  
12 election remains in effect until revoked by a resolution adopted by  
13 the board.

14 (b) The district tax assessor-collector must reside in the  
15 district.

16 (c) The board shall set the term of employment and  
17 compensation for the district tax assessor-collector. (Acts 58th  
18 Leg., R.S., Ch. 298, Sec. 3(c) (part).)

19 Source Law

20 (c) The Board of Managers may elect to employ a  
21 Tax Assessor and Collector for the District by  
22 adoption of an appropriate resolution before December  
23 1 of any year, and the election by the Board to have a  
24 Tax Assessor and Collector for the District shall  
25 remain in effect in the District until revoked by  
26 resolution of the Board. An election to employ a Tax  
27 Assessor and Collector for the District shall take  
28 effect only on approval of the Commissioners Court if  
29 the Board of Managers is not elected as provided by  
30 Section 6b of this Act. If the Board employs a Tax  
31 Assessor and Collector for the District under this  
32 Subsection, the Board shall establish the terms of  
33 employment and the compensation and . . . . The Tax  
34 Assessor and Collector for the District shall be a  
35 resident of the District and . . . .

36 Revisor's Note

37 (1) Section 3(c), Chapter 298, Acts of the 58th  
38 Legislature, Regular Session, 1963, last amended by  
39 Chapter 156, Acts of the 67th Legislature, Regular  
40 Session, 1981, provides that the Titus County  
41 Commissioners Court must approve the employment of a  
42 tax assessor-collector if the board is not elected as  
43 provided by Section 6b of that act, codified as Section  
44 1107.051. The revised law omits that provision because  
45 the district voters approved the proposition to elect

1 the board under Section 6b of the act.

2 (2) Section 3(c), Chapter 298, Acts of the 58th  
3 Legislature, Regular Session, 1963, last amended by  
4 Chapter 156, Acts of the 67th Legislature, Regular  
5 Session, 1981, requires the board to set a bond amount  
6 of not less than \$5,000 as security for the district  
7 tax assessor-collector. The revised law omits the  
8 provision because it has been superseded and impliedly  
9 repealed. See Revisor's Note (1) to Section 1107.253.  
10 Section 6.29, Tax Code, enacted in 1979 and last  
11 amended in 1987, authorizes the governing body of a  
12 taxing unit, including a hospital district, to require  
13 the unit's tax assessor-collector to post bond without  
14 limiting the amount. The omitted law reads:

15 (c) . . . [the Board] . . . shall  
16 require the person employed to execute a  
17 bond in an amount of not less than Five  
18 Thousand Dollars (\$5,000) as determined by  
19 the Board to assure the faithful  
20 performance of his duties. . . .

21 (3) Section 3(c), Chapter 298, Acts of the 58th  
22 Legislature, Regular Session, 1963, last amended by  
23 Chapter 156, Acts of the 67th Legislature, Regular  
24 Session, 1981, provides that the district tax  
25 assessor-collector has the same powers and duties as  
26 the county tax assessor-collector. The revised law  
27 omits the provision as unnecessary because the Tax  
28 Code specifies the powers and duties of all tax  
29 assessor-collectors. See Revisor's Note (1) to Section  
30 1107.253. The omitted law reads:

31 (c) . . . [The Tax Assessor and  
32 Collector for the District] . . . shall  
33 exercise the same powers and duties as  
34 required of a County Tax Assessor and  
35 Collector. . . .

36 (4) Section 3(c), Chapter 298, Acts of the 58th  
37 Legislature, Regular Session, 1963, last amended by  
38 Chapter 156, Acts of the 67th Legislature, Regular  
39 Session, 1981, refers to the applicability of Title

1 122 of the Revised Statutes (Taxation) and the  
2 Property Tax Code. Before its repeal and  
3 recodification, Title 122 was composed of V.A.C.S.  
4 Articles 7041-7359a. The relevant parts of those  
5 provisions were revised in 1979 as the Property Tax  
6 Code, Title 1, Tax Code (Section 1, Chapter 841, Acts  
7 of the 66th Legislature, Regular Session, 1979). The  
8 revised law omits the provision because Title 1  
9 applies to the district on its own terms. The revised  
10 law omits the reference to exceptions to that law  
11 because the exceptions to Title 1 have been superseded  
12 and impliedly repealed by subsequent amendments to the  
13 relevant provisions of Title 1. The omitted law reads:

14 (c) . . . Title 122, Revised Civil  
15 Statutes of Texas, 1925, as amended, and the  
16 Property Tax Code apply to the levy,  
17 assessment, and collection of taxes under  
18 this Subsection except to the extent  
19 specifically provided to the contrary in  
20 this Act.

21 Revisor's Note  
22 (End of Chapter)

23 (1) Section 14, Chapter 298, Acts of the 58th  
24 Legislature, Regular Session, 1963, provides that the  
25 delinquent taxes owed to Titus County for the county  
26 hospital system shall be paid to the district. Section  
27 33.02, Tax Code, provides that a person may pay  
28 delinquent taxes over a 36-month period. Section  
29 33.05, Tax Code, prohibits a taxing unit from filing a  
30 suit to collect a tax on real property that has been  
31 delinquent more than 20 years. Therefore, the revised  
32 law omits the provision as executed. The omitted law  
33 reads:

34 Sec. 14. . . . That portion of  
35 delinquent taxes owed the County on levies  
36 for present County hospital system shall  
37 continue to be paid to the Hospital District  
38 by the County as collected, and applied by  
39 the Hospital District to the purposes for  
40 which such taxes originally were levied.

41 (2) Section 5, Chapter 298, Acts of the 58th

1 Legislature, Regular Session, 1963, provides for the  
2 transfer of certain land, buildings, equipment, and  
3 funds to the district after the district is created and  
4 provides for the assumption of debt by the district on  
5 creation. The revised law omits the provisions as  
6 executed. The omitted law reads:

7           Sec. 5. Any lands, buildings or  
8 equipment that may be owned by the County,  
9 and by which medical services or hospital  
10 care, including geriatric care, are  
11 furnished to the indigent or needy persons  
12 of the County, shall become the property of  
13 the Hospital District; and title thereto  
14 shall vest in the Hospital District; and any  
15 funds of the County which are the proceeds  
16 of any bonds assumed by the Hospital  
17 District, as hereby provided, shall become  
18 the funds of the Hospital District; and  
19 title thereto shall vest in the Hospital  
20 District; and there shall vest in the  
21 Hospital District and become the funds of  
22 the Hospital District the unspent portions  
23 of any funds theretofore set up or  
24 appropriated by budget or otherwise by the  
25 County for the support and maintenance of  
26 the hospital facilities for the year within  
27 which the Hospital District comes into  
28 existence, thereby providing such Hospital  
29 District with funds with which to maintain  
30 and operate such facilities for the  
31 remainder of such year. All obligations  
32 under contract legally incurred by the  
33 County for the building of, or the support  
34 and maintenance of, hospital facilities,  
35 prior to the creation of the said District  
36 but outstanding at the time of the creation  
37 of the District, shall be assumed and  
38 discharged by it without prejudice to the  
39 rights of third parties, provided that the  
40 management and control of the property and  
41 affairs of the present hospital system  
42 shall continue in the Board of Managers of  
43 the present hospital system until  
44 appointment and organization of the Board  
45 of Hospital Managers of the Hospital  
46 District, at which time the Board of  
47 Managers of the present hospital system  
48 shall turn over all records, property and  
49 affairs of said hospital system to the Board  
50 of Hospital Managers of the Hospital  
51 District.

52           Any outstanding bonded indebtedness  
53 incurred by the County in the acquisition of  
54 such lands, buildings and equipment, or in  
55 the construction and equipping of such  
56 hospital facilities, together with any  
57 other outstanding bonds issued by the  
58 County for hospital purposes, and the  
59 proceeds of which are in whole or in part  
60 still unspent, shall be assumed by the  
61 Hospital District and become the obligation  
62 of the Hospital District; and the County

1 shall be by the Hospital District relieved  
2 of any further liability for the payment  
3 thereof, or for providing interest and  
4 sinking fund requirements thereon; provided  
5 that nothing herein contained shall limit  
6 or affect any of the rights of any of the  
7 holders of such bonds against the payment of  
8 the principal or interest on any of such  
9 bonds in accordance with their respective  
10 terms.

11 The Commissioners Court, as soon as  
12 the Hospital District is created and  
13 authorized at the election hereinabove  
14 provided, and there have been appointed and  
15 qualified the Board of Hospital Managers  
16 hereinafter provided for, shall execute and  
17 deliver to the Hospital District, to wit: to  
18 its said Board of Hospital Managers, an  
19 instrument in writing conveying to said  
20 Hospital District the hospital property,  
21 including lands, buildings and equipment;  
22 and shall transfer to said Hospital  
23 District the funds hereinabove provided to  
24 become vested in the Hospital District,  
25 upon being furnished the certificate of the  
26 Chairman of the Board to the fact that a  
27 depository for the District's funds has been  
28 selected and has qualified; which funds  
29 shall, in the hands of the Hospital District  
30 and of its Board of Hospital Managers, be  
31 used for all or any of the same purposes as,  
32 and for no other purposes than, the purposes  
33 for which the County could lawfully have  
34 used the same had they remained the property  
35 and funds of such County.

36 (3) Section 18, Chapter 298, Acts of the 58th  
37 Legislature, Regular Session, 1963, and Section 2,  
38 Chapter 165, Acts of the 63rd Legislature, Regular  
39 Session, 1973, provide that public notice of  
40 enactment of the statutes was provided in a manner that  
41 satisfies the requirements of the Texas Constitution.  
42 The revised law omits those sections as executed. The  
43 omitted law reads:

44 [Acts 58th Leg., R.S., Ch. 298]  
45 Sec. 18. The Legislature hereby  
46 finds affirmatively that thirty (30) days  
47 public notice was duly given in accordance  
48 with the provisions of Article IX, Section  
49 9, of the Constitution of the State of  
50 Texas, of the intention to apply to this  
51 Legislature to enact a law providing for the  
52 creation, establishment, maintenance and  
53 operation of the Hospital District herein  
54 provided for.

55 [Acts 63rd Leg., R.S., Ch. 165]  
56 Sec. 2. The Legislature hereby finds  
57 affirmatively that thirty (30) days public  
58 notice was duly given in accordance with the  
59 provisions of Article IX, Section 9, of the

1 Constitution of the State of Texas, of the  
2 intention to apply to this Legislature to  
3 enact a law providing for the amendment to  
4 said Chapter 298, Acts, Regular Session,  
5 58th Legislature, 1963, as herein provided.

6 (4) Section 19, Chapter 298, Acts of the 58th  
7 Legislature, Regular Session, 1963, and Section 3,  
8 Chapter 165, Acts of the 63rd Legislature, Regular  
9 Session, 1973, provide in part that the acts are  
10 severable. The revised law omits those provisions  
11 because the same result is produced by application of  
12 Section 311.032, Government Code (Code Construction  
13 Act), which provides that a provision of a statute is  
14 severable from each other provision of the statute  
15 that can be given effect. The omitted law reads:

16 [Acts 58th Leg., R.S., Ch. 298]

17 Sec. 19. If any word, phrase,  
18 sentence, Section, portion or provision of  
19 this Act or the application thereof to any  
20 person or circumstance shall be held to be  
21 invalid or unconstitutional, the remainder  
22 of this Act, and the application of such  
23 word, phrase, sentence, Section, portion or  
24 provision to other persons or  
25 circumstances, shall not be affected  
26 thereby. . . .

27 [Acts 63rd Leg., R.S., Ch. 165]

28 Sec. 3. If any section, sentence,  
29 clause or phrase of this Act is, for any  
30 reason, held to be unconstitutional such  
31 decision shall not affect the validity of  
32 any remaining portions of this Act. The  
33 Legislature hereby declares that it would  
34 have passed this Act, and each section,  
35 sentence, clause or phrase thereof,  
36 irrespective of the fact that any one or  
37 more sections, sentences, clauses or  
38 phrases thereof are declared  
39 unconstitutional.

40 (5) Section 19, Chapter 298, Acts of the 58th  
41 Legislature, Regular Session, 1963, provides that if  
42 there is a conflict between the act and general laws of  
43 this state, the act controls. The revised law omits  
44 that provision because, under general rules of  
45 statutory construction, a statute automatically has  
46 the effect of repealing prior conflicting enactments  
47 and is ineffective to bind a future legislature.  
48 Furthermore, Section 311.026, Government Code (Code

1 Construction Act), provides that if there is a  
 2 conflict between a general provision of law and a  
 3 special provision, the special provision prevails  
 4 unless the general provision is the later enactment  
 5 and the manifest intent is that the general provision  
 6 prevail. The omitted law reads:

7           Sec. 19. . . . In the event any of  
 8           the provisions hereof shall be in conflict  
 9           with any other law of this State, the  
 10          provisions of this Act shall prevail.

11           CHAPTER 1109. TYLER COUNTY HOSPITAL DISTRICT

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23		CHAPTER 1109. TYLER COUNTY HOSPITAL DISTRICT	
24		SUBCHAPTER A. GENERAL PROVISIONS	
25		<u>Revised Law</u>	
26	Sec. 1109.001.	DEFINITIONS. In this chapter:	
27		(1) "Board" means the board of hospital managers of	
28		the district.	
29		(2) "Commissioners court" means the Commissioners	
30		Court of Tyler County.	
31		(3) "District" means the Tyler County Hospital	
32		District.	
33		(4) "Manager" means a member of the board. (New.)	

1 Revisor's Note

2 The definitions of "board," "commissioners  
3 court," "district," and "manager" are added to the  
4 revised law for drafting convenience and to eliminate  
5 frequent, unnecessary repetition of the substance of  
6 the definitions.

7 Revised Law

8 Sec. 1109.002. AUTHORITY FOR OPERATION. The Tyler County  
9 Hospital District operates in accordance with Section 9, Article  
10 IX, Texas Constitution, and has the powers and responsibilities  
11 provided by that section. (Acts 58th Leg., R.S., Ch. 110, Sec. 1  
12 (part).)

13 Source Law

14 Sec. 1. In accordance with the provisions of  
15 Article IX, Section 9, Constitution of the State of  
16 Texas, this Act shall be operative so as to authorize  
17 the creation, establishment, maintenance and  
18 operation of a Hospital District within the State of  
19 Texas, to be known as Tyler County Hospital District,  
20 and . . . said District shall have the powers and  
21 responsibilities provided by the aforesaid  
22 Constitutional provision.

23 Revisor's Note

24 Section 1, Chapter 110, Acts of the 58th  
25 Legislature, Regular Session, 1963, authorizes the  
26 "creation, establishment, maintenance and operation"  
27 of the district. The revised law omits "creation" and  
28 "establishment" as executed. The revised law omits  
29 "maintenance" because, in this context, that term is  
30 included in the meaning of "operation."

31 Revised Law

32 Sec. 1109.003. ESSENTIAL PUBLIC FUNCTION. The district is  
33 a public entity performing an essential public function. (Acts  
34 58th Leg., R.S., Ch. 110, Sec. 4(e) (part).)

35 Source Law

36 (e) Because the District is a public entity  
37 performing an essential public function, . . . .

38 Revised Law

39 Sec. 1109.004. DISTRICT TERRITORY. The boundaries of the

1 district are coextensive with the boundaries of Tyler County.  
2 (Acts 58th Leg., R.S., Ch. 110, Sec. 1 (part).)

3 Source Law

4 Sec. 1. . . . [Tyler County Hospital District]  
5 . . . the boundaries of said District shall be  
6 coextensive with the boundaries of Tyler County  
7 . . . .

8 Revisor's Note  
9 (End of Subchapter)

10 Section 2, Chapter 110, Acts of the 58th  
11 Legislature, Regular Session, 1963, provides  
12 procedures for holding an election on the creation of  
13 the district, the imposition of an ad valorem tax, and  
14 the assumption of debt. Because the election creating  
15 the district has been held, the revised law omits the  
16 relevant law as executed. The omitted law reads:

17 Sec. 2. . . . provided, however,  
18 that such Hospital District shall not be  
19 created unless and until an election is duly  
20 held in the County for such purpose, which  
21 said election may be initiated by the  
22 Commissioners Court upon its own motion or  
23 upon a petition of fifty (50) resident  
24 qualified voters, to be held not less than  
25 thirty (30) days from the time said election  
26 is ordered by the Commissioners Court. At  
27 such election, there shall be submitted to  
28 the qualified property taxpaying voters the  
29 proposition of whether or not a Hospital  
30 District shall be created in the County; and  
31 a majority of the qualified property  
32 taxpaying electors participating in said  
33 election voting in favor of the proposition  
34 shall be necessary. The ballots for said  
35 election shall have printed thereon:

36 "FOR the creation of a Hospital  
37 District; providing for the levy of a tax  
38 not to exceed seventy-five cents (75¢) on  
39 the One Hundred Dollar valuation; and  
40 providing for the assumption by such  
41 District of all outstanding bonds  
42 heretofore issued by Tyler County for  
43 hospital purposes"; and

44 "AGAINST the creation of a Hospital  
45 District; providing for the levy of a tax  
46 not to exceed seventy-five cents (75¢) on  
47 the One Hundred Dollar valuation; and  
48 providing for the assumption by such  
49 District of all outstanding bonds  
50 heretofore issued by Tyler County for  
51 hospital purposes."

52 [Sections 1109.005-1109.050 reserved for expansion]

1 SUBCHAPTER B. DISTRICT ADMINISTRATION

2 Revised Law

3 Sec. 1109.051. BOARD APPOINTMENT; TERM. (a) The board  
4 consists of:

5 (1) six managers appointed by the commissioners court;  
6 and

7 (2) the county judge of Tyler County as an ex officio  
8 manager.

9 (b) Appointed managers serve two-year terms. The terms may  
10 overlap. (Acts 58th Leg., R.S., Ch. 110, Sec. 6(a) (part).)

11 Source Law

12 Sec. 6. (a) The Commissioners Court shall  
13 appoint a Board of Hospital Managers, consisting of  
14 six (6) members, who shall serve for a term of two (2)  
15 years, with overlapping terms if desired, and . . .  
16 provided that the County Judge of the County shall be  
17 an ex officio member of said Board of Hospital  
18 Managers. . . .

19 Revisor's Note

20 (1) Section 6(a), Chapter 110, Acts of the 58th  
21 Legislature, Regular Session, 1963, refers to the  
22 initial appointments to the board. The revised law  
23 omits the provision as executed. The omitted law  
24 reads:

25 (a) . . . with initial appointments  
26 to terms of office arranged accordingly,  
27 and . . . .

28 (2) Section 6(a), Chapter 110, Acts of the 58th  
29 Legislature, Regular Session, 1963, refers to "the  
30 County Judge of the County." Throughout this chapter,  
31 the revised law substitutes "Tyler County" for "the  
32 County" and similar references to the county because  
33 Tyler County is the county in which the district is  
34 located.

35 Revised Law

36 Sec. 1109.052. QUALIFICATIONS FOR OFFICE. (a) To serve as  
37 a manager, a person must be a resident and qualified voter of the  
38 district.

1 (b) A district employee may not serve as a manager. (Acts  
2 58th Leg., R.S., Ch. 110, Sec. 6(a) (part).)

3 Source Law

4 (a) . . . To serve as a Hospital Manager, a  
5 person must be a resident and qualified voter of the  
6 District. An employee of the District may not serve as  
7 a Hospital Manager. . . .

8 Revised Law

9 Sec. 1109.053. BOARD VACANCY. The commissioners court  
10 shall fill a vacancy on the board by appointment. (Acts 58th Leg.,  
11 R.S., Ch. 110, Sec. 6(a) (part).)

12 Source Law

13 (a) . . . The Commissioners Court shall fill a  
14 vacancy by appointment. . . .

15 Revised Law

16 Sec. 1109.054. NONATTENDANCE. The failure of a manager to  
17 attend three consecutive regular board meetings causes a vacancy in  
18 the manager's office unless the absence is excused by formal action  
19 of the board. (Acts 58th Leg., R.S., Ch. 110, Sec. 6(a) (part).)

20 Source Law

21 (a) . . . Failure of any member of the Board of  
22 Hospital Managers to attend three (3) consecutive  
23 regular meetings of the Board shall cause a vacancy in  
24 his office, unless such absence is excused by formal  
25 action of the Board. . . .

26 Revised Law

27 Sec. 1109.055. OFFICERS. (a) The board shall elect from  
28 among its members a president, who shall preside, and a vice  
29 president, who shall preside in the president's absence.

30 (b) The board shall appoint a secretary, who need not be a  
31 manager.

32 (c) Each officer serves a one-year term.

33 (d) The board shall fill a vacancy in a board office for the  
34 unexpired term. (Acts 58th Leg., R.S., Ch. 110, Sec. 6(h) (part).)

35 Source Law

36 (h) . . . From among its members, the Board  
37 shall elect a President, who shall preside, and a Vice  
38 President, who shall preside in the President's  
39 absence. The Board shall appoint a Secretary, who is  
40 not required to be a Hospital Manager. Each officer  
41 serves a one-year term. The Board shall fill a vacancy

1 in a Board office for the unexpired term. . . .

2 Revised Law

3 Sec. 1109.056. COMPENSATION; EXPENSES. A manager serves  
4 without compensation but may be reimbursed for actual and necessary  
5 travel and other expenses incurred in the performance of the  
6 manager's duties as determined by the board. The reimbursed  
7 expenses must be reported in the district's records. (Acts 58th  
8 Leg., R.S., Ch. 110, Sec. 6(a) (part).)

9 Source Law

10 (a) . . . The Board of Hospital Managers shall  
11 serve without compensation, but may be reimbursed for  
12 their actual and necessary traveling and other  
13 expenses incurred in the performance of their duties  
14 as determined by the Board of Hospital Managers.  
15 Expenses reimbursed under this section must be  
16 reported in the District's minute book or other  
17 District records. . . .

18 Revisor's Note

19 Section 6(a), Chapter 110, Acts of the 58th  
20 Legislature, Regular Session, 1963, requires that  
21 reimbursed expenses be reported in the "District's  
22 minute book or other District records." The revised  
23 law omits the reference to the "District's minute book"  
24 because the minute book is a district record.

25 Revised Law

26 Sec. 1109.057. DISTRICT ADMINISTRATOR. (a) The board may  
27 appoint a person qualified by training and experience as district  
28 administrator.

29 (b) The district administrator serves at the will of the  
30 board and receives compensation as may be determined by the board.

31 (c) The board may require the district administrator,  
32 before assuming the administrator's duties, to execute a bond  
33 payable to the district in an amount set by the board of not less  
34 than \$5,000 that:

35 (1) is conditioned on the faithful performance of the  
36 administrator's duties; and

37 (2) contains other conditions the board may require.  
38 (Acts 58th Leg., R.S., Ch. 110, Sec. 6(b) (part).)



1 EMPLOYEES. (a) The board may appoint to and remove from the staff  
2 any doctors and employ any other employees considered advisable for  
3 the efficient operation of the district's hospital or hospital  
4 system.

5 (b) The board may delegate to the district administrator the  
6 authority to hire employees.

7 (c) The board may spend district money to recruit  
8 physicians, nurses, and other trained medical personnel. The board  
9 may pay the tuition or other expenses of a full-time medical student  
10 or other student in a health occupation who:

11 (1) is enrolled in and is in good standing at an  
12 accredited medical school, college, or university; and

13 (2) contractually agrees to become a district employee  
14 or independent contractor in return for that assistance. (Acts  
15 58th Leg., R.S., Ch. 110, Secs. 6(c), (d) (part).)

16 Source Law

17 (c) The Board of Hospital Managers shall have  
18 the authority to appoint or remove doctors from the  
19 staff and to employ such employees of every kind and  
20 character as may be deemed advisable for the efficient  
21 operation of the hospital or hospital system. The  
22 Board may delegate to the Administrator the authority  
23 to hire employees.

24 (d) The Board may spend District funds to  
25 recruit physicians, nurses, and other trained medical  
26 personnel. The Board may contract with full-time  
27 medical students or other health occupation students  
28 enrolled in good standing in accredited medical  
29 schools, colleges, or universities to pay a student's  
30 tuition or other costs of expenses in consideration  
31 for the student's agreement to serve as an employee or  
32 independent contractor of the District on terms  
33 described in the contract. . . .

34 Revisor's Note

35 Section 6(d), Chapter 110, Acts of the 58th  
36 Legislature, Regular Session, 1963, provides that a  
37 student who receives assistance from the district must  
38 become a district employee "on terms described in the  
39 contract." The revised law omits the quoted language  
40 because the provisions of a contract between the board  
41 and a student apply by their own terms.

1 Revised Law

2 Sec. 1109.061. RETIREMENT BENEFITS. The board may provide  
3 retirement benefits for district employees by:

4 (1) establishing or administering a retirement  
5 program; or

6 (2) participating in:

7 (A) the Texas County and District Retirement  
8 System; or

9 (B) another statewide retirement system in which  
10 the district is eligible to participate. (Acts 58th Leg., R.S., Ch.  
11 110, Sec. 6(d) (part).)

12 Source Law

13 (d) . . . The Board may provide retirement  
14 benefits for employees of the District by establishing  
15 or administering a retirement program or by electing  
16 to participate in the Texas County and District  
17 Retirement System or in any statewide retirement  
18 system in which the District is eligible to  
19 participate.

20 Revised Law

21 Sec. 1109.062. SEAL. The board shall have a seal engraved  
22 with the district's name to authenticate the acts of the board. The  
23 board secretary shall keep the seal. (Acts 58th Leg., R.S., Ch.  
24 110, Sec. 6(h) (part).)

25 Source Law

26 (h) . . . The Board shall have a seal, on which  
27 shall be engraved the name of the Hospital District;  
28 and said seal shall be kept by the Secretary and used  
29 in authentication of all acts of the Board.

30 Revisor's Note  
31 (End of Subchapter)

32 (1) Section 6(h), Chapter 110, Acts of the 58th  
33 Legislature, Regular Session, 1963, provides that a  
34 majority of the board constitutes a quorum for the  
35 transaction of business. The revised law omits that  
36 provision because it duplicates Section 311.013,  
37 Government Code (Code Construction Act), which  
38 provides that a quorum of a public body is a majority  
39 of the number of members fixed by statute. The revised

1 law also omits "for the transaction of any business"  
2 because "quorum" means the number of persons or votes  
3 necessary for a body to act. The omitted law reads:

4 (h) A majority of the Board of  
5 Hospital Managers shall constitute a quorum  
6 for the transaction of any business. . . .

7 (2) Section 12, Chapter 110, Acts of the 58th  
8 Legislature, Regular Session, 1963, states that  
9 district records "shall be made available" as required  
10 by Chapter 552, Government Code. The revised law omits  
11 that provision because the definition of "governmental  
12 body" under Section 552.003(1), Government Code,  
13 includes the governing board of a special district,  
14 including a hospital district. As such, the district's  
15 records are subject to the open records law without an  
16 express statement to that effect. The omitted law  
17 reads:

18 Sec. 12. All records, reports,  
19 books, papers, and accounts pertaining to  
20 the Hospital District shall be made  
21 available as required by Chapter 552,  
22 Government Code.

23 [Sections 1109.063-1109.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Revised Law

26 Sec. 1109.101. DISTRICT RESPONSIBILITY. The district has  
27 full responsibility for providing medical and hospital care for the  
28 district's needy and indigent residents. (Acts 58th Leg., R.S.,  
29 Ch. 110, Secs. 2 (part), 14 (part).)

30 Source Law

31 Sec. 2. . . . The District shall assume full  
32 responsibility for providing medical and hospital care  
33 for the needy residing within the District; . . . .

34 Sec. 14. . . . such Hospital District shall be  
35 deemed to have assumed full responsibility for the  
36 furnishing of medical and hospital care for the needy  
37 and indigent persons residing in said Hospital  
38 District from the date that taxes are collected for the  
39 Hospital District.

40 . . .

1 Revisor's Note

2 Sections 2 and 14, Chapter 110, Acts of the 58th  
3 Legislature, Regular Session, 1963, provide that the  
4 district "shall assume" or "shall be deemed to have  
5 assumed" full responsibility for providing medical and  
6 hospital care for certain district residents, and  
7 Section 14 provides that the district shall assume  
8 that responsibility "from the date that taxes are  
9 collected for the Hospital District." The revised law  
10 substitutes "has" for "shall assume" and "shall be  
11 deemed to have assumed" because the duty to assume the  
12 responsibility is executed. The revised law omits  
13 "from the date that taxes are collected for the  
14 Hospital District" as executed.

15 Revised Law

16 Sec. 1109.102. RESTRICTION ON COUNTY OR MUNICIPALITY  
17 TAXATION. Tyler County or a municipality in the county may not  
18 impose a tax for hospital purposes. (Acts 58th Leg., R.S., Ch. 110,  
19 Secs. 1 (part), 14 (part).)

20 Source Law

21 Sec. 1. . . . [Tyler County] (hereinafter  
22 referred to as the "County"), and . . . .

23 Sec. 14. Neither the County nor any city therein  
24 shall, after the Hospital District has been organized  
25 in pursuance of this Act, levy any tax for hospital  
26 purposes; and . . . .

27 Revisor's Note

28 (1) Section 14, Chapter 110, Acts of the 58th  
29 Legislature, Regular Session, 1963, refers to a  
30 "city." The revised law substitutes "municipality"  
31 for "city" to conform to the terminology of the Local  
32 Government Code.

33 (2) Section 14, Chapter 110, Acts of the 58th  
34 Legislature, Regular Session, 1963, provides that  
35 "after the Hospital District has been organized in  
36 pursuance of this Act" certain political subdivisions

1 may not levy a tax for hospital purposes. The revised  
2 law omits the quoted language as executed. In  
3 addition, throughout this chapter, the revised law  
4 substitutes "impose" for "levy" because, in the  
5 context of taxation, the terms are synonymous and  
6 "impose" is more commonly used.

7 Revised Law

8 Sec. 1109.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.

9 The board shall manage, control, and administer:

10 (1) the district's hospital or hospital system; and

11 (2) the district's business, funds, and resources.

12 (Acts 58th Leg., R.S., Ch. 110, Sec. 6(a) (part).)

13 Source Law

14 (a) . . . The duties of the Board of Hospital  
15 Managers shall be to manage, control and administer  
16 the hospital and hospital system and the business,  
17 funds, and resources of the Hospital District. . . .

18 Revised Law

19 Sec. 1109.104. HOSPITAL OR HOSPITAL SYSTEM. (a) The  
20 district shall provide for the establishment, administration,  
21 maintenance, operation, and financing of a hospital or hospital  
22 system in the district.

23 (b) The district may provide any services or facilities  
24 necessary for hospital or medical care, including:

25 (1) rural health clinics;

26 (2) outpatient clinics;

27 (3) nursing homes;

28 (4) home health care agencies;

29 (5) extended care facilities;

30 (6) assisted living or personal care facilities; and

31 (7) retirement, housing, and medical office  
32 buildings. (Acts 58th Leg., R.S., Ch. 110, Sec. 2 (part).)

33 Source Law

34 Sec. 2. The District shall provide for the  
35 establishment, administration, maintenance,  
36 operation, and financing of a hospital or hospital  
37 system within its boundaries and may provide any  
38 services or facilities necessary for hospital or

1 medical care, including rural health clinics,  
2 outpatient clinics, nursing homes, home health care  
3 agencies, extended care facilities, assisted living or  
4 personal care facilities, retirement, housing, and  
5 medical office buildings. . . .

6 Revised Law

7 Sec. 1109.105. RULES. The board may adopt rules for the  
8 operation of the hospital or hospital system. (Acts 58th Leg.,  
9 R.S., Ch. 110, Sec. 6(a) (part).)

10 Source Law

11 (a) . . . The Board of Hospital Managers shall  
12 have the power and authority . . . to promulgate rules  
13 and regulations for the operation of the hospital or  
14 hospital system.

15 Revisor's Note

16 Section 6(a), Chapter 110, Acts of the 58th  
17 Legislature, Regular Session, 1963, provides that the  
18 board may "promulgate rules and regulations" for the  
19 operation of the hospital or hospital system. The  
20 revised law substitutes "adopt" for "promulgate"  
21 because the terms are synonymous and the former is more  
22 commonly used. The revised law omits "regulations"  
23 because under Section 311.005(5), Government Code  
24 (Code Construction Act), a rule is defined to include a  
25 regulation.

26 Revised Law

27 Sec. 1109.106. PURCHASING AND ACCOUNTING. (a) The board  
28 may prescribe:

29 (1) the method and manner of making purchases and  
30 expenditures by and for the district; and

31 (2) all accounting and control procedures.

32 (b) The district shall pay the salaries and expenses  
33 necessarily incurred by the board or by an officer or agent of the  
34 board in performing a duty prescribed or required by this section or  
35 Section 1109.155.

36 (c) An officer, employee, or agent of the board shall  
37 perform any function or service prescribed by the board under this  
38 section or Section 1109.155. (Acts 58th Leg., R.S., Ch. 110, Sec. 7

1 (part).)

2 Source Law

3 Sec. 7. The Board of Hospital Managers shall  
4 have the power to prescribe the method and manner of  
5 making purchases and expenditures by and for such  
6 Hospital District, and also shall be authorized to  
7 prescribe all accounting and control procedures. . . .  
8 The Hospital District shall pay all salaries and  
9 expenses necessarily incurred by the Board or any of  
10 its officers and agents in performing any duties which  
11 may be prescribed or required under this Section. It  
12 shall be the duty of any officer, employee or agent of  
13 the Board to perform and carry out any function or  
14 service prescribed by the Board hereunder.

15 Revised Law

16 Sec. 1109.107. DISTRICT PROPERTY, FACILITIES, AND  
17 EQUIPMENT. (a) The board shall determine:

18 (1) the type, number, and location of buildings  
19 required to maintain an adequate hospital system; and

20 (2) the type of equipment necessary for hospital care.

21 (b) The board may:

22 (1) acquire by purchase or lease property, including  
23 facilities and equipment, for the district to use in the hospital  
24 system; and

25 (2) mortgage or pledge the property as security for  
26 the payment of the purchase price.

27 (c) The board may lease district hospital facilities to or  
28 from individuals, companies, corporations, or other legal  
29 entities.

30 (d) The board may sell or otherwise dispose of property,  
31 including facilities and equipment. (Acts 58th Leg., R.S., Ch.  
32 110, Sec. 6(e) (part).)

33 Source Law

34 (e) The Board shall determine the type, number,  
35 and location of buildings required to establish and  
36 maintain an adequate hospital system and the type of  
37 equipment necessary for hospital care. The Board may  
38 acquire by purchase or lease property, facilities, and  
39 equipment for the District to use in the hospital  
40 system and may mortgage or pledge the property,  
41 facilities, or equipment acquired as security for the  
42 payment of the purchase price. . . . The Board may  
43 transfer by lease to individuals, companies,  
44 corporations, or other legal entities or acquire by  
45 lease District hospital facilities and may sell or  
46 otherwise dispose of property, facilities, and

1 equipment.

2 Revisor's Note

3 Section 6(e), Chapter 110, Acts of the 58th  
4 Legislature, Regular Session, 1963, requires the board  
5 to determine the buildings required to "establish and  
6 maintain" an adequate hospital system. The revised  
7 law omits the reference to establishing the hospital  
8 system as executed.

9 Revised Law

10 Sec. 1109.108. EMINENT DOMAIN. (a) The district may  
11 exercise the power of eminent domain to acquire a fee simple or  
12 other interest in any type of property, real, personal, or mixed,  
13 located in district territory, if the interest is necessary or  
14 convenient to exercise a right, power, privilege, or function  
15 conferred on the district by this chapter.

16 (b) The district must exercise the power of eminent domain  
17 in the manner provided by Chapter 21, Property Code, except the  
18 district is not required to deposit in the trial court money or a  
19 bond as required by Section 21.021(a), Property Code.

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

22 (1) pay in advance or provide a bond for the issuance  
23 of a temporary restraining order or a temporary injunction; or

24 (2) provide a bond for costs or a supersedeas bond on  
25 an appeal or petition for review. (Acts 58th Leg., R.S., Ch. 110,  
26 Sec. 10.)

27 Source Law

28 Sec. 10. The Hospital District organized in  
29 pursuance of this Act shall have the right and power of  
30 eminent domain for the purpose of acquiring by  
31 condemnation any and all property of any kind or  
32 character, real, personal or mixed, or any interest  
33 therein, including outright ownership of such property  
34 in fee simple absolute, within the boundaries of the  
35 said District, necessary or convenient to the exercise  
36 of the rights, powers, privileges and functions  
37 conferred upon it by this Act, in the manner provided  
38 by General Law with respect to condemnation; provided  
39 that the said District shall not be required to make  
40 deposits in the registry of the trial court of the sum  
41 required by Section 21.021(a), Property Code, or to  
42 make the bond required therein. In condemnation

1 proceedings being prosecuted by the said District, the  
2 District shall not be required to pay in advance or  
3 give any bond otherwise required for the issuance of a  
4 temporary restraining order or a temporary injunction  
5 relating to a condemnation proceeding, nor to give  
6 bond for costs or for supersedeas or any appeal or writ  
7 of error.

8 Revisor's Note

9 (1) Section 10, Chapter 110, Acts of the 58th  
10 Legislature, Regular Session, 1963, provides that the  
11 district has the "right and power of eminent domain for  
12 the purpose of acquiring [property] by condemnation."  
13 The revised law substitutes for the quoted language  
14 "may exercise the power of eminent domain to acquire  
15 [property]" because the phrases have the same meaning,  
16 and the latter phrase is consistent with modern usage  
17 in laws relating to eminent domain.

18 (2) Section 10, Chapter 110, Acts of the 58th  
19 Legislature, Regular Session, 1963, provides that the  
20 district must exercise the power of eminent domain in  
21 the manner provided by "General Law with respect to  
22 condemnation." The revised law substitutes for the  
23 quoted language a reference to Chapter 21, Property  
24 Code, because that is the general law governing  
25 eminent domain for governmental entities.

26 (3) Section 10, Chapter 110, Acts of the 58th  
27 Legislature, Regular Session, 1963, provides that the  
28 district is not required "to give bond for costs or for  
29 supersedeas or any appeal." The revised law  
30 substitutes "on an appeal" for "or any appeal" because  
31 it is clear from the context that "or" is a  
32 typographical error and that the legislature intended  
33 to use the phrase "on any appeal."

34 (4) Section 10, Chapter 110, Acts of the 58th  
35 Legislature, Regular Session, 1963, provides that the  
36 district is not required to provide bond on an appeal  
37 or "writ of error." The revised law substitutes  
38 "petition for review" for "writ of error" because,

1 effective September 1, 1997, the Texas Supreme Court  
2 replaced the writ of error procedure with the petition  
3 for review procedure. See Rule 53.1, Texas Rules of  
4 Appellate Procedure.

5 Revised Law

6 Sec. 1109.109. GIFTS AND ENDOWMENTS. The board may accept  
7 for the district a gift or endowment to be held in trust and  
8 administered by the board for the purposes and under the  
9 directions, limitations, or provisions prescribed in writing by the  
10 donor that are not inconsistent with the proper management and  
11 objectives of the district. (Acts 58th Leg., R.S., Ch. 110, Sec.  
12 16.)

13 Source Law

14 Sec. 16. The Board of Hospital Managers of the  
15 Hospital District is authorized on behalf of said  
16 Hospital District to accept donations, gifts, and  
17 endowments for the Hospital District, to be held in  
18 trust and administered by the Board of Hospital  
19 Managers for such purposes and under such directions,  
20 limitations, and provisions as may be prescribed in  
21 writing by donor, not inconsistent with proper  
22 management and objects of the Hospital District.

23 Revisor's Note

24 Section 16, Chapter 110, Acts of the 58th  
25 Legislature, Regular Session, 1963, refers to  
26 "donations" and "gifts." The revised law omits the  
27 reference to "donations" because "donations" is  
28 included in the meaning of "gifts."

29 Revised Law

30 Sec. 1109.110. CONSTRUCTION CONTRACTS. The board may enter  
31 into construction contracts for the district. (Acts 58th Leg.,  
32 R.S., Ch. 110, Sec. 6(e) (part).)

33 Source Law

34 (e) . . . The Board may enter into  
35 construction contracts for the District. . . .

36 Revisor's Note

37 Section 6(e), Chapter 110, Acts of the 58th  
38 Legislature, Regular Session, 1963, provides that  
39 Chapter 2253, Government Code, applies to the

1 district's construction contracts in relation to  
2 performance and payment bonds. The revised law omits  
3 that reference because that chapter applies to  
4 hospital districts on its own terms. The omitted law  
5 reads:

6 (e) . . . Chapter 2253, Government  
7 Code, as it relates to performance and  
8 payment bonds, applies to construction  
9 contracts let by the District. . . .

10 Revised Law

11 Sec. 1109.111. OPERATING AND MANAGEMENT CONTRACTS. The  
12 board may enter into an operating or management contract relating  
13 to a hospital facility. (Acts 58th Leg., R.S., Ch. 110, Sec. 6(e)  
14 (part).)

15 Source Law

16 (e) . . . The Board may enter into operating or  
17 management contracts relating to hospital  
18 facilities. . . .

19 Revised Law

20 Sec. 1109.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
21 CARE AND TREATMENT. The board, with the approval of the  
22 commissioners court, may contract with:

23 (1) any county for the care and treatment of a sick or  
24 injured person of that county; and

25 (2) this state or a federal agency for the care and  
26 treatment of a sick or injured person for whom the state or agency  
27 is responsible. (Acts 58th Leg., R.S., Ch. 110, Sec. 6(g) (part).)

28 Source Law

29 (g) The Board of Hospital Managers, with the  
30 approval of the Commissioners Court, shall be  
31 authorized to contract with any county for care and  
32 treatment of the county's sick, diseased and injured  
33 persons, and with the State and agencies of the Federal  
34 Government for the care and treatment of such persons  
35 for whom the State and such agencies of the Federal  
36 Government are responsible. . . .

37 Revisor's Note

38 Section 6(g), Chapter 110, Acts of the 58th  
39 Legislature, Regular Session, 1963, refers to the  
40 treatment of "sick, diseased and injured persons."

1 Throughout this chapter, the revised law omits  
2 "diseased" because "diseased" is included in the  
3 meaning of "sick."

4 Revised Law

5 Sec. 1109.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)

6 When a patient who resides in the district is admitted to a district  
7 facility, the district administrator shall have an inquiry made  
8 into the financial circumstances of:

9 (1) the patient; and

10 (2) the patient's relatives legally responsible for  
11 the patient's support.

12 (b) The district without charge shall provide to a patient  
13 who resides in the district the care and treatment for which the  
14 patient or those relatives cannot pay.

15 (c) If the district administrator determines that the  
16 patient or those relatives cannot pay for all or part of the  
17 patient's care and treatment in the hospital, the amount of the  
18 costs that cannot be paid becomes a charge against the district.

19 (d) If the district administrator determines that the  
20 patient or those relatives can pay for all or part of the care and  
21 treatment provided by the district, the district administrator  
22 shall report that determination to the board, and the board shall  
23 issue an order directing the patient or those relatives to pay the  
24 district a specified amount each week for the patient's support.  
25 The amount ordered must be proportionate to the person's financial  
26 ability and may not exceed the actual per capita cost of  
27 maintenance.

28 (e) The district administrator may collect the amount from  
29 the patient's estate, or from any relative legally responsible for  
30 the patient's support, in the manner provided by law for the  
31 collection of expenses of the last illness of a deceased person.

32 (f) If there is a dispute as to the ability to pay, or doubt  
33 in the mind of the district administrator concerning the ability to  
34 pay, the county court shall hold a hearing and, after calling

1 witnesses, shall:

2 (1) resolve the dispute or doubt; and

3 (2) issue any appropriate order.

4 (g) Either party to the dispute may appeal the order to the  
5 district court. (Acts 58th Leg., R.S., Ch. 110, Secs. 15(a) (part),  
6 (b).)

7 Source Law

8 Sec. 15. (a) The District, without charge,  
9 shall provide to a patient residing in the District  
10 care and treatment for which the patient, or a relative  
11 of the patient who is legally responsible for the  
12 patient's support, cannot pay. . . .

13 (b) Whenever a patient has been admitted to the  
14 facilities of the Hospital District from the County,  
15 the Administrator shall cause inquiry to be made as to  
16 the person's financial circumstances and the financial  
17 circumstances of a relative of the patient who is  
18 legally responsible for the patient's support. On  
19 finding that the patient or a relative who is legally  
20 responsible for the patient's support can pay for all  
21 or any part of the care and treatment provided to the  
22 patient by the District, the Administrator shall  
23 report the finding to the Board and the Board shall  
24 issue an order directing the patient, or the relative,  
25 to pay to the Hospital District for the care of such  
26 patient a specified sum per week, in proportion to  
27 financial ability, but such sum shall not exceed the  
28 actual per capita cost of maintenance. The  
29 Administrator shall have power and authority to  
30 collect such sum from the estate of the patient, or the  
31 relative who is legally responsible for the patient's  
32 support, in the manner provided by law for the  
33 collection of expenses of the last illness of a  
34 deceased person. If the Administrator finds that the  
35 patient or the relative is not able to pay, either in  
36 whole or in part, for the patient's care and treatment  
37 in the hospital, the same shall become a charge upon  
38 the Hospital District. Should there be a dispute as to  
39 the ability to pay, or doubt in the mind of the  
40 Administrator concerning ability to pay, the County  
41 Court shall hear and determine same, after calling  
42 witnesses, and shall make such order as may be proper,  
43 from which appeal shall lie to the District Court by  
44 either party to the dispute.

45 Revisor's Note

46 Section 15(a), Chapter 110, Acts of the 58th  
47 Legislature, Regular Session, 1963, requires the  
48 district to adopt an application procedure for  
49 assistance eligibility. The revised law omits the  
50 provision because it duplicates provisions in Sections  
51 61.053(a) and (b), Health and Safety Code, which apply  
52 to the district and detail the application procedure.

1 The omitted law reads:

2 (a) . . . Not later than the first  
3 day of each operating year, the District  
4 shall adopt an application procedure to  
5 determine eligibility for assistance, as  
6 provided by Section 61.053, Health and  
7 Safety Code.

8 Revised Law

9 Sec. 1109.114. REIMBURSEMENT FOR SERVICES. (a) The board  
10 shall require a county, municipality, or public hospital located  
11 outside the district to reimburse the district for the district's  
12 care or treatment of a sick or injured person for whom that county,  
13 municipality, or public hospital has an obligation to provide care,  
14 as provided by Chapter 61, Health and Safety Code.

15 (b) The board shall seek reimbursement under Article  
16 104.002, Code of Criminal Procedure, for the district's care or  
17 treatment of a person who is confined in a Tyler County jail  
18 facility and is not a district resident. (Acts 58th Leg., R.S., Ch.  
19 110, Sec. 6(g) (part).)

20 Source Law

21 (g) . . . The Board shall seek reimbursement,  
22 in the manner provided by Chapter 61, Health and Safety  
23 Code, from a County, municipality, or public hospital  
24 located outside the boundaries of the District for the  
25 District's care for or treatment of a sick, diseased,  
26 or injured person for whom that County, municipality,  
27 or public hospital has an obligation to provide care.  
28 The Board shall seek reimbursement under Article  
29 104.002, Code of Criminal Procedure, for the  
30 District's care for or treatment of a person who is not  
31 a resident of the District and who is confined in a  
32 County jail facility.

33 Revised Law

34 Sec. 1109.115. AUTHORITY TO SUE AND BE SUED. The board may  
35 sue and be sued. (Acts 58th Leg., R.S., Ch. 110, Sec. 6(a) (part).)

36 Source Law

37 (a) . . . [The Board of Hospital Managers  
38 shall have the power and authority] to sue and be sued  
39 and . . . .

40 [Sections 1109.116-1109.150 reserved for expansion]

41 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

42 Revised Law

43 Sec. 1109.151. BUDGET. (a) The district administrator,

1 under the direction of the board, shall prepare a proposed annual  
2 budget.

3 (b) The budget must be approved by the board. (Acts 58th  
4 Leg., R.S., Ch. 110, Sec. 9(b) (part).)

5 Source Law

6 (b) Under the direction of the Board of Hospital  
7 Managers, the Administrator shall prepare a proposed  
8 annual budget which shall be approved by the Board of  
9 Hospital Managers. . . .

10 Revised Law

11 Sec. 1109.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
12 The board shall publish notice of a public hearing on the proposed  
13 annual budget. The notice must be published in a newspaper of  
14 general circulation in the district one time before the 10th day  
15 before the date of the hearing.

16 (b) The board shall adopt a budget by acting on the budget  
17 proposed by the district administrator.

18 (c) The budget is effective only after adoption by the  
19 board. (Acts 58th Leg., R.S., Ch. 110, Sec. 9(b) (part).)

20 Source Law

21 (b) . . . The Board shall publish notice of a  
22 public hearing on the proposed budget in a newspaper of  
23 general circulation in the District one time before  
24 the tenth (10th) day preceding the date of the hearing.  
25 The Board shall adopt a budget based on the proposed  
26 budget of the Administrator. The budget is effective  
27 only after adoption by the Board and . . . .

28 Revised Law

29 Sec. 1109.153. AMENDMENTS TO BUDGET. The budget may be  
30 amended on the board's approval. (Acts 58th Leg., R.S., Ch. 110,  
31 Sec. 9(b) (part).)

32 Source Law

33 (b) . . . The budget . . . may be amended on  
34 the Board's approval.

35 Revised Law

36 Sec. 1109.154. FISCAL YEAR. (a) The district operates  
37 according to a fiscal year established by the board.

38 (b) The fiscal year may not be changed:

39 (1) when revenue bonds are outstanding; or

1 (2) more than once in a 24-month period. (Acts 58th  
2 Leg., R.S., Ch. 110, Sec. 8.)

3 Source Law

4 Sec. 8. The District shall operate on a fiscal  
5 year established by the Board. The Board may not  
6 change the fiscal year when revenue bonds are  
7 outstanding or more than once in a twenty-four-month  
8 (24-month) period.

9 Revised Law

10 Sec. 1109.155. ANNUAL AUDIT. As soon as practicable after  
11 the close of each fiscal year, the board shall have an audit made of  
12 the district's financial condition for the fiscal year by an  
13 independent public accountant. (Acts 58th Leg., R.S., Ch. 110,  
14 Sec. 7 (part).)

15 Source Law

16 Sec. 7. . . . The Board shall cause an annual  
17 audit to be made of the financial condition of the  
18 District as soon as practicable after the close of each  
19 fiscal year, such audit to cover such fiscal year, and  
20 to be made by an independent public accountant. . . .

21 Revised Law

22 Sec. 1109.156. FINANCIAL REPORT. (a) As soon as  
23 practicable after the close of each fiscal year, the district  
24 administrator shall prepare a report that includes:

25 (1) a complete sworn statement of:

26 (A) all money and choses in action received by  
27 the administrator; and

28 (B) how the money and choses in action were  
29 disbursed or otherwise disposed; and

30 (2) the details of district operation during the  
31 preceding fiscal year.

32 (b) The district administrator shall make the report to:

33 (1) the board; and

34 (2) the commissioners court. (Acts 58th Leg., R.S.,  
35 Ch. 110, Sec. 9(a).)

36 Source Law

37 Sec. 9. (a) Once each year, as soon as  
38 practicable after the close of the fiscal year, the  
39 Administrator of the Hospital District shall report to  
40 the Board of Hospital Managers and the Commissioners

1 Court, a full sworn statement of all moneys and choses  
2 in action received by such Administrator and how  
3 disbursed or otherwise disposed of. Such report shall  
4 show in detail the operations of the District for the  
5 year.

6 Revised Law

7 Sec. 1109.157. DEPOSITORY. Every two years, the board  
8 shall select a depository for the district to secure all district  
9 money in the manner provided for securing county funds. (Acts 58th  
10 Leg., R.S., Ch. 110, Sec. 11 (part).)

11 Source Law

12 Sec. 11. Within thirty (30) days after the  
13 appointment of the Board of Hospital Managers of the  
14 District and each two (2) years thereafter the said  
15 Board shall select a depository for such District to  
16 secure all funds of the District in the manner now  
17 provided for the security of county funds. . . .

18 Revisor's Note

19 (1) Section 11, Chapter 110, Acts of the 58th  
20 Legislature, Regular Session, 1963, requires the board  
21 to select a depository "[w]ithin thirty (30) days  
22 after the appointment of the Board of Hospital  
23 Managers of the District." The revised law omits the  
24 quoted language as executed.

25 (2) Section 11, Chapter 110, Acts of the 58th  
26 Legislature, Regular Session, 1963, refers to "all  
27 funds of the District." The revised law substitutes  
28 "money" for "funds" because, in the context of  
29 district funds, the meaning is the same and "money" is  
30 the more commonly used term.

31 Revised Law

32 Sec. 1109.158. INVESTMENTS. The board may purchase, sell,  
33 and invest district funds in investments authorized by Chapter  
34 2256, Government Code. (Acts 58th Leg., R.S., Ch. 110, Sec. 11  
35 (part).)

36 Source Law

37 Sec. 11. . . . The Board may purchase, sell, and  
38 invest the District funds in investments authorized by  
39 Chapter 2256, Government Code.

1 Revised Law

2 Sec. 1109.159. AUTHORITY TO BORROW MONEY; SECURITY. (a)

3 The board may borrow money at a rate not to exceed the maximum  
4 annual percentage rate allowed by law for district obligations at  
5 the time the loan is made if the board declares that:

6 (1) money is not available to meet authorized  
7 obligations of the district; and

8 (2) an emergency exists.

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

10 (1) district revenue that is not pledged to pay the  
11 district's bonded indebtedness;

12 (2) a district tax to be imposed by the district in the  
13 next 12-month period that is not pledged to pay the principal of or  
14 interest on district bonds; or

15 (3) a district bond that has been authorized but not  
16 sold.

17 (c) A loan for which taxes or bonds are pledged must mature  
18 not later than the first anniversary of the date the loan is made. A  
19 loan for which district revenue is pledged must mature not later  
20 than the fifth anniversary of the date the loan is made.

21 (d) The board may not spend money obtained from a loan under  
22 this section for any purpose other than:

23 (1) the purpose for which the board declared an  
24 emergency; and

25 (2) if district taxes or bonds are pledged to pay the  
26 loan, the purposes for which the taxes were imposed or the bonds  
27 were authorized. (Acts 58th Leg., R.S., Ch. 110, Sec. 21.)

28 Source Law

29 Sec. 21. (a) If the Board of Hospital Managers  
30 declares that funds are not available to meet lawfully  
31 authorized obligations of the District and that an  
32 emergency exists, the Board may borrow money at a rate  
33 not to exceed the maximum annual percentage rate  
34 allowed by law for District obligations at the time the  
35 loan is made.

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

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

39 (2) District taxes to be levied by the  
40 District in the next twelve-month (12-month) period

1 that are not pledged to pay the principal of or  
2 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 (5th) anniversary of the date on which  
10 the loan is made.

11 (d) The Board may not spend money obtained from  
12 a loan under this section for any purpose other than  
13 the purpose for which the Board declared an emergency  
14 and, if taxes or bonds are pledged to pay the loan, for  
15 any purpose other than the purposes for which the  
16 pledged taxes were levied or the pledged bonds were  
17 authorized.

#### 18 Revisor's Note

19 Section 21(a), Chapter 110, Acts of the 58th  
20 Legislature, Regular Session, 1963, refers to  
21 "lawfully authorized obligations." The revised law  
22 omits "lawfully" because a "lawful" obligation is  
23 included in the meaning of an "authorized" obligation.

24 [Sections 1109.160-1109.200 reserved for expansion]

#### 25 SUBCHAPTER E. BONDS

#### 26 Revised Law

27 Sec. 1109.201. GENERAL OBLIGATION BONDS. The commissioners  
28 court may issue and sell general obligation bonds of the district  
29 for any purpose relating to:

30 (1) purchasing, constructing, acquiring, repairing,  
31 or renovating buildings and improvements;

32 (2) equipping buildings and improvements;

33 (3) acquiring or operating a mobile emergency medical  
34 service; and

35 (4) hospital purposes. (Acts 58th Leg., R.S., Ch.  
36 110, Sec. 4(a) (part).)

#### 37 Source Law

38 Sec. 4. (a) The Commissioners Court shall have  
39 the power and authority to issue and sell as the  
40 general obligations of such Hospital District, bonds  
41 for the purchase, construction, acquisition, repair or  
42 renovation of buildings and improvements and equipping  
43 same, for the acquisition or operation of a mobile  
44 emergency medical service, for hospital purposes, and  
45 for any or all of such purposes; . . . .

1 Revisor's Note

2 Section 4(a), Chapter 110, Acts of the 58th  
3 Legislature, Regular Session, 1963, provides that the  
4 commissioners court has the power and authority to  
5 issue and sell bonds as general obligations of the  
6 district. Because the type of bonds described by  
7 Section 4(a) are known as "general obligation bonds,"  
8 the revised law is drafted accordingly.

9 Revised Law

10 Sec. 1109.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) An  
11 ad valorem tax shall be imposed at a rate sufficient to create an  
12 interest and sinking fund to pay the principal of and interest on  
13 bonds issued under Section 1109.201 as the bonds mature.

14 (b) The tax required by this section together with any other  
15 ad valorem tax imposed for the district may not in any year exceed  
16 75 cents on each \$100 valuation of all taxable property in the  
17 district. (Acts 58th Leg., R.S., Ch. 110, Sec. 4(a) (part).)

18 Source Law

19 (a) . . . provided, that a sufficient tax shall  
20 be levied to create an interest and sinking fund to pay  
21 the interest and principal as the bonds mature  
22 provided said tax together with any other taxes levied  
23 for said District shall not exceed seventy-five cents  
24 (75¢) in any one year. . . .

25 Revisor's Note

26 Section 4(a), Chapter 110, Acts of the 58th  
27 Legislature, Regular Session, 1963, requires the levy  
28 of an annual tax to pay the principal of and interest  
29 on bonds. The revised law specifies that the tax is an  
30 "ad valorem" tax because it is clear from the source  
31 law that the tax is a property tax. Section 1(b),  
32 Article VIII, Texas Constitution, requires all  
33 property that is taxed to be taxed in proportion to its  
34 value, and accordingly "ad valorem" tax is the term  
35 most commonly used in Texas law to refer to a tax on  
36 property.

1 Revised Law

2 Sec. 1109.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
3 district may issue general obligation bonds only if the bonds are  
4 authorized by a majority of the district voters voting at an  
5 election held in accordance with the provisions of Chapter 1251,  
6 Government Code, relating to county bonds.

7 (b) The commissioners court:

8 (1) may call the election on its own motion; or

9 (2) shall call the election at the request of the  
10 board.

11 (c) The cost of the bond election is a charge on the  
12 district, and the district must provide for the payment of the bond  
13 election costs before the commissioners court is required to order  
14 an election. (Acts 58th Leg., R.S., Ch. 110, Sec. 4(a) (part).)

15 Source Law

16 (a) . . . No bonds shall be issued by such  
17 Hospital District . . . until authorized by a majority  
18 vote of the qualified voters residing in such Hospital  
19 District voting at an election called and held in  
20 accordance with the provisions of Chapter 1, Title 22,  
21 of the Revised Civil Statutes of the State of Texas,  
22 1925, as amended, relating to county bonds. Such  
23 election may be called by the Commissioners Court on  
24 its own motion, or shall be called by it after request  
25 therefor by the Board of Hospital Managers of the  
26 District; and . . . . The cost of any such election  
27 shall be a charge upon the Hospital District and its  
28 funds; and the Hospital District shall make provision  
29 for the payment thereof before the Commissioners Court  
30 shall be required to order such an election.

31 Revisor's Note

32 (1) Section 4(a), Chapter 110, Acts of the 58th  
33 Legislature, Regular Session, 1963, refers to the  
34 "qualified" voters of the district. Throughout this  
35 chapter the revised law omits "qualified" as  
36 unnecessary in this context because Chapter 11,  
37 Election Code, governs eligibility to vote in an  
38 election in this state and allows only "qualified"  
39 voters who are residents of the territory covered by  
40 the election to vote in an election.

41 (2) Section 4(a), Chapter 110, Acts of the 58th

1 Legislature, Regular Session, 1963, refers to an  
2 election "called and held." Throughout this chapter,  
3 the revised law omits references to "calling" an  
4 election because, in this context, "calling" an  
5 election is included in the meaning of "holding" an  
6 election. Under Chapter 3, Election Code, all  
7 elections must be ordered (called) before they may be  
8 held.

9 (3) Section 4(a), Chapter 110, Acts of the 58th  
10 Legislature, Regular Session, 1963, refers to an  
11 election held as provided by "Chapter 1, Title 22, of  
12 the Revised Civil Statutes of the State of Texas, 1925,  
13 as amended." The election provisions of Chapter 1,  
14 Title 22, Revised Statutes, are revised as Chapter  
15 1251, Government Code, and the revised law is drafted  
16 accordingly. The revised law omits the reference to  
17 "as amended" because under Section 311.027, Government  
18 Code (Code Construction Act), a reference to a statute  
19 applies to all reenactments, revisions, or amendments  
20 of that statute unless expressly provided otherwise.

21 (4) Section 4(a), Chapter 110, Acts of the 58th  
22 Legislature, Regular Session, 1963, provides that the  
23 persons responsible for conducting and arranging the  
24 details of countywide elections are responsible for  
25 conducting a bond election for the district. Under the  
26 Election Code, the entity that orders an election is  
27 responsible for administering or contracting for the  
28 administration of the election. The omitted law  
29 reads:

30 (a) . . . [Such election may be  
31 called by the Commissioners Court on its own  
32 motion, or shall be called by it after  
33 request therefor by the Board of Hospital  
34 Managers of the District; and] the same  
35 persons shall be responsible for the  
36 conduct of such election and arrangement of  
37 all details thereof as the persons charged  
38 therewith in connection with other  
39 county-wide elections. . . .

1 Revised Law

2 Sec. 1109.204. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
3 The county judge of Tyler County shall execute the general  
4 obligation bonds in the district's name.

5 (b) The county clerk of Tyler County shall countersign the  
6 bonds. (Acts 58th Leg., R.S., Ch. 110, Sec. 4(a) (part).)

7 Source Law

8 (a) . . . Such bonds shall be executed in the  
9 name of the Hospital District and on its behalf by the  
10 County Judge of the County, and countersigned by the  
11 County Clerk, and . . . .

12 Revised Law

13 Sec. 1109.205. REVENUE BONDS. (a) The district may issue  
14 revenue bonds to:

15 (1) purchase, construct, acquire, repair, or renovate  
16 buildings and improvements;

17 (2) equip buildings and improvements for the hospital  
18 or hospital system;

19 (3) acquire sites to be used for hospital purposes; or

20 (4) acquire and operate a mobile emergency medical  
21 service to assist the district in carrying out its purposes.

22 (b) The bonds must be payable from and secured by a pledge of  
23 all or part of the revenue derived from the operation of the  
24 district's hospital system.

25 (c) The bonds may be additionally secured by a mortgage or  
26 deed of trust lien on all or part of the district property.

27 (d) The district shall issue revenue bonds in the manner  
28 provided by Sections 264.042, 264.043, 264.046, 264.047, 264.048,  
29 and 264.049, Health and Safety Code. (Acts 58th Leg., R.S., Ch.  
30 110, Sec. 4(c).)

31 Source Law

32 (c) The District may issue revenue bonds to  
33 purchase, construct, repair, renovate, and acquire  
34 buildings and improvements and to equip buildings and  
35 improvements for the hospital and the hospital system,  
36 to acquire sites for hospital purposes, and to acquire  
37 and operate a mobile emergency medical service to  
38 assist the District in carrying out its purposes. The  
39 bonds must be payable from and secured by a pledge of  
40 all or part of the revenues derived from the operation

1 of the District's hospital system. The bonds may also  
2 be secured by a mortgage or deed of trust lien on all or  
3 part of the District property. The District shall  
4 issue revenue bonds in accordance with Sections  
5 264.042, 264.043, 264.046, 264.047, 264.048, and  
6 264.049, Health and Safety Code.

7 Revised Law

8 Sec. 1109.206. REFUNDING BONDS. (a) The district may,  
9 without an election, issue refunding bonds to refund any bonds  
10 issued or assumed by the district.

11 (b) A refunding bond may be:

12 (1) sold, with the proceeds of the refunding bond  
13 applied to the payment of the outstanding bonds; or

14 (2) exchanged wholly or partly for not less than a  
15 similar principal amount of the outstanding bonds. (Acts 58th  
16 Leg., R.S., Ch. 110, Secs. 4(a) (part), (b) (part).)

17 Source Law

18 (a) . . . [No bonds shall be issued by such  
19 Hospital District] (except refunding bonds) [until  
20 authorized by a majority vote of the qualified voters  
21 residing in such Hospital District] . . . .

22 (b) The District may issue bonds for the purpose  
23 of refunding and paying off any bonded indebtedness  
24 theretofore assumed by the Hospital District and any  
25 bonds theretofore issued by the Hospital District.  
26 . . . The refunding bonds may be sold and the proceeds  
27 thereof applied to the payment of any such outstanding  
28 bonds or may be exchanged in whole or in part for not  
29 less than a similar amount of said outstanding  
30 indebtedness. . . .

31 Revisor's Note

32 Section 4(b), Chapter 110, Acts of the 58th  
33 Legislature, Regular Session, 1963, requires the  
34 district to issue refunding bonds in the manner  
35 prescribed by Chapter 784, Acts of the 61st  
36 Legislature, Regular Session, 1969 (Article 717k-3,  
37 Vernon's Texas Civil Statutes), and, for refunding  
38 bonds that will be sold, to issue the bonds and to make  
39 payments on the bonds in the manner prescribed by  
40 Chapter 503, Acts of the 54th Legislature, Regular  
41 Session, 1955 (Article 717k, Vernon's Texas Civil  
42 Statutes). Articles 717k and 717k-3 were codified in  
43 1999 as Chapter 1207, Government Code. The revised law

1 omits the provisions because Chapter 1207, Government  
2 Code, applies to the district by its own terms under  
3 Section 1207.001, Government Code. The omitted law  
4 reads:

5 (b) . . . In issuing the bonds, the  
6 District shall comply with Chapter 784,  
7 Acts of the 61st Legislature, Regular  
8 Session, 1969 (Article 717k-3, Vernon's  
9 Texas Civil Statutes). . . . In selling the  
10 refunding bonds and applying the proceeds  
11 to the payment of outstanding indebtedness,  
12 the District shall comply with Chapter 503,  
13 Acts of the 54th Legislature, 1955 (Article  
14 717k, Vernon's Texas Civil Statutes).

15 Revised Law

16 Sec. 1109.207. MATURITY OF BONDS. District bonds must  
17 mature not later than 40 years after the date of issuance. (Acts  
18 58th Leg., R.S., Ch. 110, Sec. 4(g) (part).)

19 Source Law

20 (g) District bonds must mature not later than 40  
21 years after the date of their issuance and . . . .

22 Revisor's Note

23 Section 4(g), Chapter 110, Acts of the 58th  
24 Legislature, Regular Session, 1963, provides that  
25 district bonds must bear interest at a rate that does  
26 not exceed the rate provided by Chapter 3, Acts of the  
27 61st Legislature, Regular Session, 1969 (Article  
28 717k-2, Vernon's Texas Civil Statutes). The revised  
29 law omits that provision because the maximum interest  
30 rate noted in Chapter 3 was revised in 1999 as Section  
31 1204.006, Government Code, and Section 1204.006  
32 applies to the district by its terms under Section  
33 1204.001, Government Code. The omitted law reads:

34 (g) [District bonds] . . . must bear  
35 interest at a rate not to exceed that  
36 provided by Chapter 3, Acts of the 61st  
37 Legislature, Regular Session, 1969 (Article  
38 717k-2, Vernon's Texas Civil Statutes).

39 Revised Law

40 Sec. 1109.208. EXECUTION OF BONDS. The board president  
41 shall execute district bonds in the district's name, and the board

1 secretary shall countersign the bonds in the manner provided by  
2 Chapter 618, Government Code. (Acts 58th Leg., R.S., Ch. 110, Sec.  
3 4(d).)

4 Source Law

5 (d) The President of the Board shall execute the  
6 bonds in the name of the District, and the Secretary of  
7 the Board shall countersign the bonds in the manner  
8 provided by the Texas Uniform Facsimile Signature of  
9 Public Officials Act (Article 717j-1, Vernon's Texas  
10 Civil Statutes).

11 Revisor's Note

12 Section 4(d), Chapter 110, Acts of the 58th  
13 Legislature, Regular Session, 1963, refers to the  
14 Texas Uniform Facsimile Signature of Public Officials  
15 Act (Article 717j-1, Vernon's Texas Civil Statutes).  
16 That statute was codified in 1999 as Chapter 618,  
17 Government Code. The revised law is drafted  
18 accordingly.

19 Revised Law

20 Sec. 1109.209. BONDS EXEMPT FROM TAXATION. The following  
21 are exempt from taxation by this state or a political subdivision of  
22 this state:

- 23 (1) bonds issued by the district;
- 24 (2) any transaction relating to the bonds; and
- 25 (3) profits made in the sale of the bonds. (Acts 58th  
26 Leg., R.S., Ch. 110, Sec. 4(e) (part).)

27 Source Law

28 (e) . . . bonds issued by the District, any  
29 transaction relating to the bonds, and profits made in  
30 the sale of the bonds are free from taxation by the  
31 state or by any municipality, county, special  
32 district, or political subdivision of the state.

33 Revisor's Note

34 Section 4(e), Chapter 110, Acts of the 58th  
35 Legislature, Regular Session, 1963, refers to "any  
36 municipality, county, special district, or political  
37 subdivision of the state." Throughout this chapter,  
38 the revised law omits "municipality," "county," and  
39 "special district" in this context because each of

1 those entities is included in the meaning of  
2 "political subdivision of the state."

3 Revisor's Note  
4 (End of Subchapter)

5 (1) Section 4(a), Chapter 110, Acts of the 58th  
6 Legislature, Regular Session, 1963, provides that  
7 district bonds are subject to the law governing  
8 counties that relates to bond approval by the attorney  
9 general and registration of the bonds by the  
10 comptroller. The revised law omits those provisions  
11 as superseded by Chapter 1202, Government Code  
12 (enacted as Article 3, Chapter 53, Acts of the 70th  
13 Legislature, 2nd Called Session, 1987). Section  
14 1202.003(a), Government Code, requires bonds to be  
15 submitted to the attorney general. Section  
16 1202.003(b), Government Code, provides for approval of  
17 the bonds by the attorney general and requires the  
18 attorney general to submit the approved bonds to the  
19 comptroller for registration. Section 1202.005,  
20 Government Code, requires registration of the bonds by  
21 the comptroller. Chapter 1202, Government Code,  
22 applies to district bonds by application of Section  
23 1202.001, Government Code. The omitted law reads:

24 (a) . . . [Such bonds] . . . shall be  
25 subject to the same requirements in the  
26 matter of approval thereof by the Attorney  
27 General of the State of Texas and the  
28 registration thereof by the Comptroller of  
29 Public Accounts of the State of Texas as are  
30 by law provided for such approval and  
31 registration of bonds of such County; and  
32 the approval of such bonds by the Attorney  
33 General shall have the same force and effect  
34 as is by law given to the Attorney General's  
35 approval of bonds of the County. . . .

36 (2) Section 17, Chapter 110, Acts of the 58th  
37 Legislature, Regular Session, 1963, provides that  
38 district bonds are legal and authorized investments  
39 for certain entities. The revised law omits the  
40 provision as unnecessary. As to several of the

1 entities listed, Section 17 has been superseded and  
2 impliedly repealed. Investments in securities by  
3 banks are regulated by Section 34.101, Finance Code  
4 (enacted in 1995 as Section 5.101, Texas Banking Act  
5 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
6 Investments in securities by savings banks are  
7 regulated by Section 93.001(c)(10), Finance Code  
8 (enacted in 1993 as Section 7.15(10), Texas Savings  
9 Bank Act (Article 489e, Vernon's Texas Civil  
10 Statutes)). Investments in securities by trust  
11 companies are regulated by Section 184.101, Finance  
12 Code (enacted in 1997 as Section 5.101, Texas Trust  
13 Company Act (Article 342a-5.101, Vernon's Texas Civil  
14 Statutes)). Investments in securities by savings and  
15 loan associations are regulated by Sections 63.002 and  
16 64.001, Finance Code. As to the remaining entities  
17 listed, Section 17 is superseded by Section 1201.041,  
18 Government Code, enacted as Section 9, Bond Procedures  
19 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
20 Statutes). While Section 17 lists "guardians" and  
21 Section 1201.041 does not, the latter statute includes  
22 "fiduciaries" and a guardian is a fiduciary. Section  
23 1201.041, Government Code, applies to district bonds  
24 by application of Section 1201.002, Government Code.  
25 The omitted law reads:

26           Sec. 17. All bonds (including  
27           refunding bonds) issued by or assumed by the  
28           District authorized to be established and  
29           created under the provisions of this Act  
30           shall be and are declared to be legal and  
31           authorized investments for banks, savings  
32           banks, trust companies, fiduciaries,  
33           savings and loan associations, insurance  
34           companies, trustees, guardians, and for the  
35           sinking funds of cities, towns, villages,  
36           counties, school districts, or other  
37           political corporations or subdivisions of  
38           the State of Texas; and . . . .

39           (3) Section 17, Chapter 110, Acts of the 58th  
40           Legislature, Regular Session, 1963, provides that

1 district bonds may secure deposits. Although Section  
2 17 does not specifically mention the deposits the  
3 bonds are eligible to secure, the only deposits they  
4 could secure would be deposits of public funds of this  
5 state or political subdivisions of this state. As  
6 such, the revised law omits the provision as impliedly  
7 repealed by Section 404.0221, Government Code (enacted  
8 in 1995), which lists eligible collateral for deposits  
9 of state funds by the comptroller, and by Chapter 2257,  
10 Government Code (enacted in 1989 as Article 2529d,  
11 Vernon's Texas Civil Statutes), which governs eligible  
12 collateral for deposits of funds of other public  
13 agencies, including political subdivisions. The  
14 omitted law reads:

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

20           [Sections 1109.210-1109.250 reserved for expansion]

21                           SUBCHAPTER F. TAXES

22                                   Revised Law

23           Sec. 1109.251. IMPOSITION OF AD VALOREM TAX. (a) The  
24 commissioners court shall impose a tax for the benefit of the  
25 district on all property in the district subject to district  
26 taxation.

27           (b) The commissioners court shall impose the tax to:

28                   (1) pay the interest on and create a sinking fund for  
29 general obligation bonds assumed or issued by the district for  
30 hospital purposes as provided by this chapter;

31                   (2) provide for the operation and maintenance of the  
32 hospital or hospital system; and

33                   (3) when requested by the board and approved by the  
34 commissioners court, make improvements and additions to the  
35 hospital system, and acquire necessary sites for the hospital  
36 system by purchase, lease, or condemnation.

1 (c) The district may not impose a tax to pay the principal of  
2 or interest on revenue bonds. (Acts 58th Leg., R.S., Ch. 110, Secs.  
3 3 (part), 4(f) (part).)

4 Source Law

5 Sec. 3. The Commissioners Court of the County  
6 shall have the power and authority, and it shall be its  
7 duty, to levy on all property subject to hospital  
8 district taxation, for the benefit of the District  
9 . . . a tax . . . of all taxable property within the  
10 Hospital District, for the purpose of (1) paying the  
11 interest on and creating a sinking fund for bonds which  
12 may have been assumed or which may be issued by the  
13 Hospital District for hospital purposes as herein  
14 provided; (2) providing for the operation and  
15 maintenance of the hospital or hospital system; and  
16 (3) when requested by the Board of Hospital Managers of  
17 the Hospital District and approved by the  
18 Commissioners Court, 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 . . .  
23 [Sec. 4]

24 (f) The District may not impose taxes to pay the  
25 principal of or interest on revenue bonds. . . .

26 Revisor's Note

27 (1) Section 3, Chapter 110, Acts of the 58th  
28 Legislature, Regular Session, 1963, refers to the levy  
29 of district taxes on county values at the time and  
30 under the conditions that county taxes are levied. The  
31 revised law omits those provisions because they were  
32 repealed by Section 6(b), Chapter 841, Acts of the 66th  
33 Legislature, Regular Session, 1979, which repealed all  
34 "general, local, and special laws" that conflicted  
35 with that act. The 1979 act enacted the Property Tax  
36 Code (Title 1, Tax Code), a comprehensive, substantive  
37 codification of property tax law. Title 1, Tax Code,  
38 provides the exclusive procedures for the appraisal of  
39 property for taxation by a taxing unit, including a  
40 hospital district. The omitted law reads:

41 Sec. 3. [The Commissioners Court of  
42 the County shall . . . levy on all property  
43 subject to hospital district taxation]  
44 . . . at the same time taxes are levied for  
45 county purposes, using the county values  
46 and the county tax roll, [a tax] . . . .

47 (2) Section 3, Chapter 110, Acts of the 58th

1 Legislature, Regular Session, 1963, as amended by  
2 Chapter 265, Acts of the 75th Legislature, Regular  
3 Session, 1997, requires the board, before September 1  
4 of each year, to publish notice of tax rates, give  
5 notice of and conduct a public hearing as required by  
6 Chapter 26, Tax Code, and enter an order imposing  
7 taxes. The revised law omits the reference to the  
8 September 1 deadline as superseded by Section 26.05,  
9 Tax Code, as amended by Chapter 423, Acts of the 76th  
10 Legislature, Regular Session, 1999, which requires the  
11 governing body of a taxing unit to adopt a tax rate  
12 before the later of September 30 or the 60th day after  
13 the date the taxing unit receives the certified  
14 appraisal roll. The revised law omits the remainder of  
15 the cited provisions in Section 3, which require the  
16 board to comply with Chapter 26, Tax Code, because that  
17 chapter applies to the board by its own terms under  
18 Section 1.02, Tax Code. The omitted law reads:

19 Sec. 3. . . .

20 Before September 1 of each year, the  
21 Board shall publish notice of tax rates,  
22 give notice of and conduct a public hearing  
23 as required by Chapter 26, Tax Code, and  
24 enter an order levying taxes on all property  
25 in the District subject to District  
26 taxation.

27 Revised Law

28 Sec. 1109.252. TAX RATE. The commissioners court shall  
29 impose the tax at a rate not to exceed 75 cents on each \$100  
30 valuation of all taxable property in the district. (Acts 58th Leg.,  
31 R.S., Ch. 110, Sec. 3 (part).)

32 Source Law

33 Sec. 3. [The Commissioners Court of the County  
34 shall have the power and authority, and it shall be its  
35 duty, to levy . . . a tax] of not to exceed  
36 seventy-five cents (75¢) on the One Hundred Dollar  
37 valuation of all taxable property within the Hospital  
38 District, . . . .

39 Revised Law

40 Sec. 1109.253. TAX ASSESSOR-COLLECTOR. The board may

1 provide for the appointment of a tax assessor-collector for the  
2 district or may contract for the assessment and collection of taxes  
3 as provided by the Tax Code. (Acts 58th Leg., R.S., Ch. 110, Sec.  
4 4(f) (part).)

5 Source Law

6 (f) . . . The Board may provide for the  
7 appointment of a tax assessor-collector for the  
8 District or may contract for the assessment and  
9 collection of taxes as provided by the Tax Code.

10 Revisor's Note  
11 (End of Subchapter)

12 (1) Section 3, Chapter 110, Acts of the 58th  
13 Legislature, Regular Session, 1963, provides that the  
14 commissioners court may impose taxes for the entire  
15 year in which the district is established. The revised  
16 law omits the provision as executed. The omitted law  
17 reads:

18 Sec. 3. . . .  
19 The Commissioners Court shall have the  
20 authority to levy the tax aforesaid for the  
21 entire year in which the said Hospital  
22 District is established, for the purpose of  
23 securing funds to initiate the operation of  
24 the Hospital District, and to pay assumed  
25 bonds.  
26 . . .

27 (2) Section 4(f), Chapter 110, Acts of the 58th  
28 Legislature, Regular Session, 1963, provides that the  
29 Tax Code governs the appraisal, assessment, and  
30 collection of district taxes. The revised law omits  
31 this provision as unnecessary because Title 1, Tax  
32 Code, governs the appraisal of property for and the  
33 assessment and collection of ad valorem taxes by all  
34 taxing units in this state, including hospital  
35 districts. See Section 1.02, Tax Code. The omitted  
36 law reads:

37 (f) . . . The Tax Code governs the  
38 appraisal, assessment, and collection of  
39 District taxes. . . .

40 (3) Section 6(f), Chapter 110, Acts of the 58th  
41 Legislature, Regular Session, 1963, authorizes the

1 board to institute a suit to enforce the payment of  
2 taxes and to foreclose liens to secure that payment.  
3 The revised law omits that provision because it  
4 duplicates Chapter 33, Tax Code, which authorizes a  
5 taxing unit of government to file suit to enforce the  
6 payment of taxes and to foreclose a lien to secure that  
7 payment. The omitted law reads:

8 (f) The Board may bring suit to  
9 enforce payment of taxes and to foreclose  
10 liens to secure the payment of taxes due the  
11 District.

12 (4) Section 14, Chapter 110, Acts of the 58th  
13 Legislature, Regular Session, 1963, provides that the  
14 delinquent taxes owed to Tyler County for the county  
15 hospital system shall be paid to the district. Section  
16 33.02, Tax Code, provides that a person may pay  
17 delinquent taxes over a 36-month period. Section  
18 33.05, Tax Code, prohibits a taxing unit from filing a  
19 suit to collect a tax on real property that has been  
20 delinquent more than 20 years. Therefore, the revised  
21 law omits the provision as executed. The omitted law  
22 reads:

23 Sec. 14. . . .  
24 That portion of delinquent taxes owed  
25 the County on levies for present county  
26 hospital system shall continue to be paid to  
27 the Hospital District by the County as  
28 collected, and applied by the Hospital  
29 District to the purposes for which such  
30 taxes originally were levied.

31 [Sections 1109.254-1109.300 reserved for expansion]

32 SUBCHAPTER G. DISSOLUTION

33 Revised Law

34 Sec. 1109.301. DISSOLUTION; ELECTION. (a) The district  
35 may be dissolved only on approval of a majority of the district  
36 voters voting in an election held for that purpose.

37 (b) The board may order an election on the question of  
38 dissolving the district and disposing of the district's assets and  
39 obligations.

1 (c) The board shall order an election if the board receives  
2 a petition requesting an election that is signed by at least 15  
3 percent of the registered district voters.

4 (d) The order calling the election must state:

5 (1) the nature of the election, including the  
6 proposition to appear on the ballot;

7 (2) the date of the election;

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

9 (4) the location of the polling places.

10 (e) Section 41.001(a), Election Code, does not apply to an  
11 election ordered under this section. (Acts 58th Leg., R.S., Ch.  
12 110, Secs. 22(a), (b) (part).)

13 Source Law

14 Sec. 22. (a) The District may be dissolved only  
15 if the dissolution is approved by a majority of the  
16 qualified voters of the District voting at an election  
17 called and held for that purpose.

18 (b) The Board may order an election on the  
19 question of dissolving the District and disposing of  
20 the District's assets and obligations. The Board shall  
21 order an election to be held on the question of  
22 dissolution of the District if the Board receives a  
23 petition requesting an election that is signed by at  
24 least fifteen percent (15%) of the registered voters  
25 of the District. . . . Section 41.001(a), Election  
26 Code, does not apply to an election ordered under this  
27 article. The order calling the election must state:

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

30 (2) the date of the election;

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

33 (4) the location of the polling places.

34 Revisor's Note

35 Section 22(b), Chapter 110, Acts of the 58th  
36 Legislature, Regular Session, 1963, provides that an  
37 election must be held not later than the 60th day after  
38 the date the election is ordered. The revised law  
39 omits the provision as superseded by Section 3.005,  
40 Election Code, applicable to the district under  
41 Section 1.002, Election Code. Section 3.005, as  
42 amended by Chapter 1318, Acts of the 82nd Legislature,  
43 Regular Session, 2011, requires an election order  
44 issued by the authority of a political subdivision to

1 be issued not later than the 71st or 78th day before  
2 election day and provides that Section 3.005  
3 supersedes a law outside the Election Code to the  
4 extent of any conflict. The omitted law reads:

5 (b) . . . The election shall be held  
6 not later than the sixtieth (60th) day after  
7 the date the election is ordered. . . .

8 Revised Law

9 Sec. 1109.302. NOTICE OF ELECTION. (a) The board shall  
10 give notice of an election under this subchapter by publishing once  
11 a week for two consecutive weeks a copy of the election order in a  
12 newspaper with general circulation in the district.

13 (b) The first publication of notice must appear before the  
14 35th day before the date set for the election. (Acts 58th Leg.,  
15 R.S., Ch. 110, Sec. 22(c) (part).)

16 Source Law

17 (c) The Board shall give notice of the election  
18 by publishing a copy of the election order in a  
19 newspaper with general circulation in the District  
20 once a week for two consecutive weeks. The first  
21 publication must appear before the thirty-fifth (35th)  
22 day before the date set for election. . . .

23 Revised Law

24 Sec. 1109.303. BALLOT. The ballot for an election under  
25 this subchapter must be printed to permit voting for or against the  
26 proposition: "The dissolution of the Tyler County Hospital  
27 District." (Acts 58th Leg., R.S., Ch. 110, Sec. 22(c) (part).)

28 Source Law

29 (c) . . . The ballot for an election at which  
30 the dissolution of the District is proposed shall be  
31 printed to permit voting for or against the  
32 proposition: "The dissolution of the Tyler County  
33 Hospital District."

34 Revised Law

35 Sec. 1109.304. ELECTION RESULTS. (a) If a majority of the  
36 district voters favor dissolution, the board shall find that the  
37 district is dissolved.

38 (b) If the board finds that the election results do not  
39 favor the proposition to dissolve the district, another dissolution  
40 election may not be held before the first anniversary of the date of

1 the most recent election to dissolve the district. (Acts 58th Leg.,  
2 R.S., Ch. 110, Secs. 22(d) (part), (g).)

3 Source Law

4 (d) If a majority of the voters in the District  
5 favor dissolution, the Board shall find that the  
6 District is dissolved and . . . .

7 (g) If the Board finds that the election results  
8 are not favorable to the proposition to dissolve the  
9 District, another dissolution election may not be held  
10 before the first anniversary of the date of the most  
11 recent election to dissolve the District.

12 Revised Law

13 Sec. 1109.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
14 If a majority of the district voters favor dissolution, the board  
15 shall:

16 (1) transfer the land, buildings, improvements,  
17 equipment, and other assets that belong to the district to Tyler  
18 County or another governmental entity in Tyler County; or

19 (2) administer the property, assets, and debts until  
20 all money has been disposed of and all district debts have been paid  
21 or settled.

22 (b) If the board makes the transfer under Subsection (a)(1),  
23 the county or entity assumes all debts and obligations of the  
24 district at the time of the transfer, and the district is dissolved.  
25 (Acts 58th Leg., R.S., Ch. 110, Secs. 22(d) (part), (f).)

26 Source Law

27 (d) [If a majority of the voters in the District  
28 favor dissolution, the Board] . . . shall transfer the  
29 land, buildings, improvements, equipment, and other  
30 assets that belong to the District to a County or  
31 another governmental entity in the County in which the  
32 District is located or administer the property,  
33 assets, and debts until all funds have been disposed of  
34 and all District debts have been paid or settled.

35 (f) If the District transfers the land,  
36 buildings, improvements, equipment, and other assets  
37 to a County or other governmental entity, the County or  
38 entity assumes all debts and obligations of the  
39 District at the time of the transfer, and the District  
40 is dissolved.

41 Revised Law

42 Sec. 1109.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

43 (a) Notwithstanding any other provision of this subchapter, the

1 district may not be dissolved unless the board provides for the sale  
2 or transfer of the district's assets and liabilities to another  
3 person.

4 (b) The dissolution of the district and the sale or transfer  
5 of the district's assets or liabilities may not:

6 (1) contravene a trust indenture or bond resolution  
7 relating to the district's outstanding bonds; or

8 (2) diminish or impair the rights of a holder of an  
9 outstanding bond, warrant, or other obligation of the district.

10 (c) The sale or transfer of the district's assets and  
11 liabilities must satisfy the debt and bond obligations of the  
12 district in a manner that protects the interests of district  
13 residents, including the residents' collective property rights in  
14 the district's assets.

15 (d) The district may transfer or dispose of the district's  
16 assets only for due compensation, unless the transfer is made to  
17 another governmental agency embracing the district and using the  
18 transferred assets for the benefit of residents formerly in the  
19 district.

20 (e) A grant from federal funds is an obligation to be repaid  
21 in satisfaction. (Acts 58th Leg., R.S., Ch. 110, Secs. 22(k), (l).)

22 Source Law

23 (k) Notwithstanding any other provision of this  
24 Act, the District may not be dissolved unless the Board  
25 provides for the sale or transfer of the District's  
26 assets and liabilities to another entity or person.  
27 The dissolution of the District and the sale or  
28 transfer of the District's assets and liabilities may  
29 not contravene a trust indenture or bond resolution  
30 relating to the outstanding bonds of the District. In  
31 addition, the dissolution and sale or transfer may not  
32 diminish or impair the rights of the holders of any  
33 outstanding bonds, warrants, or other obligations of  
34 the District.

35 (l) The sale or transfer of the District's  
36 assets and liabilities must satisfy the debt and bond  
37 obligations of the District in a manner that protects  
38 the interests of the residents of the District,  
39 including their collective property rights in the  
40 District's assets. Any grant from federal funds is  
41 considered an obligation to be repaid in satisfaction.  
42 The District may not transfer or dispose of the  
43 District's assets except for due compensation unless  
44 the transfer is made to another governmental agency  
45 embracing the District and using the transferred  
46 assets for the benefit of residents formerly in the

1 District.

2 Revisor's Note

3 Section 22(k), Chapter 110, Acts of the 58th  
4 Legislature, Regular Session, 1963, refers to "another  
5 entity or person." The revised law omits "entity"  
6 because "entity" is included in the meaning of  
7 "person" under Section 311.005(2), Government Code  
8 (Code Construction Act).

9 Revised Law

10 Sec. 1109.307. IMPOSITION OF TAX AND RETURN OF SURPLUS  
11 TAXES. (a) After the board finds that the district is dissolved,  
12 the board shall:

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

14 (2) impose on the property included in the district's  
15 tax roll a tax that is in proportion of the debt to the property  
16 value.

17 (b) On the payment of all outstanding debts and obligations  
18 of the district, the board shall order the board secretary to return  
19 to each district taxpayer the taxpayer's pro rata share of all  
20 unused tax money.

21 (c) A taxpayer may request that the taxpayer's share of  
22 surplus tax money be credited to the taxpayer's county taxes. If a  
23 taxpayer requests the credit, the board shall direct the board  
24 secretary to transmit the money to the Tyler County tax  
25 assessor-collector. (Acts 58th Leg., R.S., Ch. 110, Secs. 22(e),  
26 (h).)

27 Source Law

28 (e) After the Board finds that the District is  
29 dissolved, the Board shall:

30 (1) determine the debt owed by the  
31 District; and

32 (2) impose on the property included in the  
33 District's tax rolls a tax that is in proportion of the  
34 debt to the property value.

35 (h) When all outstanding debts and obligations  
36 of the District are paid, the Board shall order the  
37 Secretary to return the pro rata share of all unused  
38 tax money to each District taxpayer. A taxpayer may  
39 request that the taxpayer's share of surplus tax money  
40 be credited to the taxpayer's County taxes. If a  
41 taxpayer requests the credit, the Board shall direct

1 the Secretary to transmit the funds to the County tax  
2 assessor-collector.

3 Revised Law

4 Sec. 1109.308. REPORT; DISSOLUTION ORDER. (a) After the  
5 district has paid all district debts and has disposed of all  
6 district money and other assets as prescribed by this subchapter,  
7 the board shall file a written report with the commissioners court  
8 summarizing the board's actions in dissolving the district.

9 (b) Not later than the 10th day after the date the  
10 commissioners court receives the report and determines that the  
11 requirements of this subchapter have been fulfilled, the  
12 commissioners court shall enter an order:

13 (1) dissolving the district; and

14 (2) disbanding and releasing the board from any  
15 further duty or obligation. (Acts 58th Leg., R.S., Ch. 110, Secs.  
16 22(i), (j).)

17 Source Law

18 (i) After the District has paid all its debts  
19 and has disposed of all its assets and funds as  
20 required by this section, the Board shall file a  
21 written report with the Commissioners Court of Tyler  
22 County setting forth a summary of the Board's actions  
23 in dissolving the District.

24 (j) Not later than the tenth (10th) day after  
25 the date it receives the report and determines that the  
26 requirements of this section have been fulfilled, the  
27 Commissioners Court shall enter an order dissolving  
28 the District and disbanding and releasing the Board of  
29 Managers of the District from any further duty or  
30 obligation.

31 Revisor's Note  
32 (End of Chapter)

33 (1) Section 5, Chapter 110, Acts of the 58th  
34 Legislature, Regular Session, 1963, provides for the  
35 transfer of certain land, buildings, and equipment to  
36 the district after the district is created and  
37 provides for the assumption of debt by the district on  
38 creation. The revised law omits the provisions as  
39 executed. The omitted law reads:

40 Sec. 5. Any lands, buildings or  
41 equipment that may be owned by the County,  
42 and by which medical services or hospital  
43 care, including geriatric care, are  
44 furnished to the indigent or needy persons

1 of the County, shall become the property of  
2 the Hospital District; and title thereto  
3 shall vest in the Hospital District; and any  
4 funds of the County which are the proceeds  
5 of any bonds assumed by the Hospital  
6 District, as hereby provided, shall become  
7 the funds of the Hospital District; and  
8 title thereto shall vest in the Hospital  
9 District; and there shall vest in the  
10 Hospital District and become the funds of  
11 the Hospital District the unspent portions  
12 of any funds theretofore set up or  
13 appropriated by budget or otherwise by the  
14 County for the support and maintenance of  
15 the hospital facilities for the year within  
16 which the Hospital District comes into  
17 existence, thereby providing such Hospital  
18 District with funds with which to maintain  
19 and operate such facilities for the  
20 remainder of such year. All obligations  
21 under contract legally incurred by the  
22 County for the building of, or the support  
23 and maintenance of, hospital facilities,  
24 prior to the creation of the said District  
25 but outstanding at the time of the creation  
26 of the District, shall be assumed and  
27 discharged by it without prejudice to the  
28 rights of third parties, provided that the  
29 management and control of the property and  
30 affairs of the present hospital system  
31 shall continue in the Board of Managers of  
32 the present hospital system until  
33 appointment and organization of the Board  
34 of Hospital Managers of the Hospital  
35 District, at which time the Board of  
36 Managers of the present hospital system  
37 shall turn over all records, property and  
38 affairs of said hospital system to the Board  
39 of Hospital Managers of the Hospital  
40 District.

41 Any outstanding bonded indebtedness  
42 incurred by the County in the acquisition of  
43 such lands, buildings and equipment, or in  
44 the construction and equipping of such  
45 hospital facilities, together with any  
46 other outstanding bonds issued by the  
47 County for hospital purposes, and the  
48 proceeds of which are in whole or in part  
49 still unspent, shall be assumed by the  
50 Hospital District and become the obligation  
51 of the Hospital District; and the County  
52 shall be by the Hospital District relieved  
53 of any further liability for the payment  
54 thereof, or for providing interest and  
55 sinking fund requirements thereon; provided  
56 that nothing herein contained shall limit  
57 or affect any of the rights of any of the  
58 holders of such bonds against the payment of  
59 the principal or interest on any of such  
60 bonds in accordance with their respective  
61 terms.

62 The Commissioners Court, as soon as  
63 the Hospital District is created and  
64 authorized at the election hereinabove  
65 provided, and there have been appointed and  
66 qualified the Board of Hospital Managers  
67 hereinafter provided for, shall execute and  
68 deliver to the Hospital District, to wit:  
69 to its said Board of Hospital Managers, an

1 instrument in writing conveying to said  
2 Hospital District the hospital property,  
3 including lands, buildings and equipment;  
4 and shall transfer to said Hospital  
5 District the funds hereinabove provided to  
6 become vested in the Hospital District,  
7 upon being furnished the certificate of the  
8 President of the Board to the fact that a  
9 depository for the District's funds has been  
10 selected and has qualified; which funds  
11 shall, in the hands of the Hospital District  
12 and of its Board of Hospital Managers, be  
13 used for all or any of the same purposes as,  
14 and for no other purposes than, the purposes  
15 for which the County could lawfully have  
16 used the same had they remained the property  
17 and funds of such County.

18 (2) Section 18, Chapter 110, Acts of the 58th  
19 Legislature, Regular Session, 1963, provides that  
20 public notice of the enactment of the statute was  
21 provided in a manner that satisfies the requirements  
22 of the Texas Constitution. The revised law omits that  
23 section as executed. The omitted law reads:

24 Sec. 18. The Legislature hereby  
25 finds affirmatively that thirty (30) days'  
26 public notice was duly given in accordance  
27 with the provisions of Article IX, Section  
28 9, of the Constitution of the State of  
29 Texas, of the intention to apply to this  
30 Legislature to enact a law providing for the  
31 creation, establishment, maintenance and  
32 operation of the Hospital District herein  
33 provided for.

34 (3) Section 19, Chapter 110, Acts of the 58th  
35 Legislature, Regular Session, 1963, provides in part  
36 that the act is severable. The revised law omits that  
37 provision because the same result is produced by  
38 application of Section 311.032, Government Code (Code  
39 Construction Act), which provides that a provision of  
40 a statute is severable from each other provision of the  
41 statute that can be given effect. The omitted law  
42 reads:

43 Sec. 19. If any word, phrase,  
44 sentence, Section, portion or provision of  
45 this Act or the application thereof to any  
46 person or circumstance shall be held to be  
47 invalid or unconstitutional, the remainder  
48 of this Act, and the application of such  
49 word, phrase, sentence, Section, portion or  
50 provision to other persons or  
51 circumstances, shall not be affected  
52 thereby. . . .

1           (4) Section 19, Chapter 110, Acts of the 58th  
2           Legislature, Regular Session, 1963, provides that if  
3           there is a conflict between the act and any other law,  
4           the act controls. The revised law omits that provision  
5           because, under general rules of statutory  
6           construction, a statute automatically has the effect  
7           of repealing prior conflicting enactments and is  
8           ineffective to repeal subsequent legislation.  
9           Furthermore, Section 311.026, Government Code (Code  
10          Construction Act), provides that if there is a  
11          conflict between a general provision of law and a  
12          special provision, the special provision prevails  
13          unless the general provision is the later enactment  
14          and the manifest intent is that the general provision  
15          prevail. The omitted law reads:

16                        Sec. 19. . . . In the event any of  
17                        the provisions hereof shall be in conflict  
18                        with any other law of this State, the  
19                        provisions of this Act shall prevail.

20                        CHAPTER 1110. VAL VERDE COUNTY HOSPITAL DISTRICT

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1 CHAPTER 1110. VAL VERDE COUNTY HOSPITAL DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 1110.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the board of directors of the  
6 district.

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

8 (3) "District" means the Val Verde County Hospital  
9 District. (New.)

10 Revisor's Note

11 The definitions of "board," "director," and  
12 "district" are added to the revised law for drafting  
13 convenience and to eliminate frequent, unnecessary  
14 repetition of the substance of the definitions.

15 Revised Law

16 Sec. 1110.002. AUTHORITY FOR OPERATION. The Val Verde  
17 County Hospital District operates in accordance with Section 9,  
18 Article IX, Texas Constitution, and has the rights, powers, and  
19 duties provided by that section and this chapter. (Acts 64th Leg.,  
20 R.S., Ch. 658, Sec. 1 (part).)

21 Source Law

22 Sec. 1. In accordance with the provisions of  
23 Article IX, Section 9, of the Texas Constitution, this  
24 Act shall be operative so as to authorize the creation,  
25 establishment, maintenance, and operation of a  
26 hospital district within this state . . . to be known  
27 as "Val Verde County Hospital District," with such  
28 rights, powers, and duties as provided in this Act, and  
29 in Article IX, Section 9, of the Texas Constitution.

30 Revisor's Note

31 Section 1, Chapter 658, Acts of the 64th  
32 Legislature, Regular Session, 1975, authorizes the  
33 "creation, establishment, maintenance, and operation"  
34 of the district. The revised law omits "creation" and  
35 "establishment" as executed. The revised law omits  
36 "maintenance" because, in this context, that term is  
37 included in the meaning of "operation."



1 revised law omits the reference to the state  
2 constitution because the state legislature cannot  
3 modify constitutional provisions by statute. The  
4 omitted law reads:

5           Sec. 23. Nothing in this Act shall be  
6 construed to violate any provision of the  
7 federal or state constitutions, and all  
8 acts done under this Act shall be in such  
9 manner as will conform thereto, whether  
10 expressly provided or not. . . .

11                           Revised Law

12           Sec. 1110.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
13 OBLIGATION. The support and maintenance of the district may not  
14 become a charge against or obligation of this state. (Acts 64th  
15 Leg., R.S., Ch. 658, Sec. 20 (part).)

16                           Source Law

17           Sec. 20. The support and maintenance of the  
18 hospital district shall never become a charge against  
19 or obligation of the State of Texas, . . . .

20                           Revised Law

21           Sec. 1110.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
22 The legislature may not make a direct appropriation for the  
23 construction, maintenance, or improvement of a district facility.  
24 (Acts 64th Leg., R.S., Ch. 658, Sec. 20 (part).)

25                           Source Law

26           Sec. 20. . . . nor shall any direct  
27 appropriation be made by the legislature for the  
28 construction, maintenance, or improvement of any of  
29 the facilities of such district.

30                           Revisor's Note  
31                           (End of Subchapter)

32           Section 3, Chapter 658, Acts of the 64th  
33 Legislature, Regular Session, 1975, provides  
34 procedures for holding an election on the creation of  
35 the district, the imposition of an ad valorem tax, and  
36 the assumption of certain debt. Because the election  
37 has been held, the revised law omits the relevant law  
38 as executed. The omitted law reads:

39           Sec. 3. (a) The district shall not  
40 be created, nor shall any tax therein be  
41 authorized, unless and until such creation

1 and such tax are approved by a majority of  
2 the qualified property taxpaying electors  
3 of the area of the proposed district voting  
4 at an election called for that purpose. Such  
5 election may be called by the county judge  
6 of Val Verde County or shall be called by  
7 the county judge upon presentation of a  
8 petition therefor signed by at least 100  
9 qualified property taxpaying electors of  
10 the area of the proposed district. Such  
11 election shall be held not less than 35 nor  
12 more than 60 days from the date the election  
13 is ordered. The order calling the election  
14 shall specify the date, place or places of  
15 holding the election, the form of ballot,  
16 the presiding judge and alternate judge for  
17 each voting place, and provide for clerks as  
18 in county elections. The order calling the  
19 election shall provide that the existing  
20 election precincts of the county shall be  
21 used at such election. Notice of election  
22 shall be given by publishing a substantial  
23 copy of the election order in a newspaper or  
24 newspapers which individually or  
25 collectively provide general circulation in  
26 the county or district once a week for two  
27 consecutive weeks, the first publication to  
28 appear at least 30 days prior to the date  
29 established for the election. The failure  
30 of such election shall operate to prohibit  
31 the calling and holding of subsequent  
32 elections for the same purpose, and if this  
33 district is not confirmed at the election  
34 provided in this section, this Act expires.

35 (b) At the election there shall be  
36 submitted to the qualified property  
37 taxpaying electors of the area of the  
38 proposed district the proposition of  
39 whether the hospital district shall be  
40 created with authority to levy annual taxes  
41 at a rate not to exceed 30 cents on the \$100  
42 valuation of taxable property situated  
43 within the district subject to hospital  
44 district taxation for the purpose of  
45 meeting the requirements of the  
46 indebtedness and bonds assumed by it, and  
47 its maintenance and operating expenses, and  
48 a majority of the qualified property  
49 taxpaying electors voting at said election  
50 in favor of the proposition shall be  
51 sufficient for its adoption.

52 (c) The form of ballot used at the  
53 election on the creation of the district  
54 shall be in conformity with Sections 61, 62,  
55 and 63, Texas Election Code, as amended  
56 (Articles 6.05, 6.06, and 6.07, Vernon's  
57 Texas Election Code), so that ballots must  
58 be printed to allow for voting for or  
59 against the proposition: "The creation of  
60 Val Verde County Hospital District,  
61 providing for the levy of a tax not to  
62 exceed 30 cents on each \$100 valuation upon  
63 all taxable property situated within said  
64 district subject to hospital district  
65 taxation, and providing for the assumption  
66 by such district of all outstanding bonds  
67 and indebtedness heretofore issued,  
68 incurred for hospital purposes by Val Verde  
69 County."

1 [Sections 1110.008-1110.050 reserved for expansion]

2 SUBCHAPTER B. DISTRICT ADMINISTRATION

3 Revised Law

4 Sec. 1110.051. BOARD ELECTION; TERM. (a) The board  
5 consists of seven directors elected as follows:

6 (1) one director elected from each county  
7 commissioners precinct; and

8 (2) three directors elected from the district at  
9 large.

10 (b) A district voter may vote on the directors to be elected  
11 at large and on the director to be elected from the precinct in  
12 which the voter resides.

13 (c) On the May uniform election date of each even-numbered  
14 year or another date authorized by law, the appropriate number of  
15 directors shall be elected.

16 (d) Directors serve staggered four-year terms. (Acts 64th  
17 Leg., R.S., Ch. 658, Secs. 4(a) (part), (c) (part).)

18 Source Law

19 Sec. 4. (a) The district is governed by a board  
20 of seven directors. Three of the directors shall be  
21 elected at large from the entire district and the  
22 remaining four directors each shall be elected from a  
23 different commissioners precinct in the district and  
24 . . . . A qualified voter is entitled to vote for the  
25 director or directors to be elected at large and for  
26 the director to be elected from the precinct in which  
27 the voter resides. Directors serve for terms of four  
28 years. . . .

29 (c) A regular election of directors shall be  
30 held on the first Saturday in May of each even-numbered  
31 year and . . . .

32 Revisor's Note

33 (1) Section 4(a), Chapter 658, Acts of the 64th  
34 Legislature, Regular Session, 1975, refers to a  
35 "qualified voter." Throughout this chapter, the  
36 revised law omits "qualified" as unnecessary in this  
37 context because Chapter 11, Election Code, governs  
38 eligibility to vote in an election in this state and  
39 allows only "qualified" voters who are residents of  
40 the territory covered by the election to vote in an

1 election.

2 (2) Section 4(c), Chapter 658, Acts of the 64th  
3 Legislature, Regular Session, 1975, as amended by  
4 Chapter 70, Acts of the 72nd Legislature, Regular  
5 Session, 1991, requires directors' elections to be  
6 held on the "first Saturday in May." From 1987 to  
7 2003, Section 41.001, Election Code, provided for a  
8 uniform election date for all political subdivisions  
9 on the first Saturday in May. In Chapter 1315, Acts of  
10 the 78th Legislature, Regular Session, 2003, the  
11 legislature amended Section 41.001 by moving the  
12 uniform election date in May to the third Saturday. In  
13 Chapter 1, Acts of the 78th Legislature, 3rd Called  
14 Session, 2003, the legislature amended Section 41.001  
15 by moving the uniform election date in May back to the  
16 first Saturday. In Chapter 471, Acts of the 79th  
17 Legislature, Regular Session, 2005, the legislature  
18 amended Section 41.001 by moving the uniform election  
19 date in May to the second Saturday. The revised law  
20 substitutes "May uniform election date" for "first  
21 Saturday in May" to reflect these changes while  
22 preserving as closely as possible the legislative  
23 intent expressed in the 1991 amendment to Section 4(c)  
24 that the election be held on the first Saturday in May,  
25 which was then the uniform election date in May. In  
26 addition, the revised law adds "or another date  
27 authorized by law" to acknowledge other legislative  
28 enactments such as Section 41.0052, Election Code, as  
29 amended by Chapter 1318, Acts of the 82nd Legislature,  
30 Regular Session, 2011, that would result in the  
31 election being held on a date other than the date  
32 provided by the source law.

33 (3) Section 2, Chapter 70, Acts of the 72nd  
34 Legislature, Regular Session, 1991, provides for the

1 staggering of terms for directors elected in 1992 and  
2 1993 to accomplish the change of the members' terms  
3 from two to four years and provides that directors  
4 elected in 1994 and 1996 serve four-year terms. The  
5 revised law specifies that the terms are staggered but  
6 omits the provisions relating to which year certain  
7 terms expire as executed. The omitted law reads:

8           Sec. 2. (a) The election of the  
9 board of directors scheduled before the  
10 effective date of this Act to be held in May  
11 1992 shall be held, and the directors  
12 elected at that election shall serve  
13 two-year terms.

14           (b) The election of the board of  
15 directors scheduled before the effective  
16 date of this Act to be held in May 1993 shall  
17 be held, and the directors elected at that  
18 election shall serve until the directors  
19 elected in May 1996 take office.

20           (c) The directors elected at the  
21 elections to be held in May 1994 and May  
22 1996 shall serve four-year terms.

23           (4) Section 4A, Chapter 658, Acts of the 64th  
24 Legislature, Regular Session, 1975, provides  
25 procedures regarding write-in voting for director  
26 elections. The revised law omits the provision  
27 because it mostly duplicates Section 285.131, Health  
28 and Safety Code, which, according to its terms,  
29 applies to all hospital districts created under  
30 general or special law. The portion of the provision  
31 regarding the deadline for filing a declaration of  
32 write-in candidacy is superseded by amendments made to  
33 Section 285.131, Health and Safety Code, by Section  
34 11, Chapter 925, Acts of the 78th Legislature, Regular  
35 Session, 2003, by Section 34, Chapter 1109, Acts of the  
36 79th Legislature, Regular Session, 2005, and by  
37 Section 46, Chapter 1318, Acts of the 82nd  
38 Legislature, Regular Session, 2011. The omitted law  
39 reads:

40           Sec. 4A. (a) In a general or special  
41 election of directors, a write-in vote may  
42 not be counted unless the name written in  
43 appears on the list of write-in candidates.

1 (b) To be entitled to a place on the  
2 list of write-in candidates, a candidate  
3 must make a declaration of write-in  
4 candidacy.

5 (c) A declaration of write-in  
6 candidacy must be filed with the secretary  
7 of the board of directors not later than 5  
8 p.m. of the 35th day before election day.  
9 However, if a candidate whose name is to  
10 appear on the ballot dies or is declared  
11 ineligible after the 38th day before  
12 election day, a declaration of write-in  
13 candidacy for the office sought by the  
14 deceased or ineligible candidate may be  
15 filed not later than 5 p.m. of the 32nd day  
16 before election day.

17 (d) Subchapter B, Chapter 146,  
18 Election Code, applies to write-in voting  
19 in an election of directors except to the  
20 extent of a conflict with this section.

21 Revised Law

22 Sec. 1110.052. QUALIFICATIONS FOR OFFICE. (a) A person may  
23 not be elected or appointed as a director unless the person is:

24 (1) at least 18 years of age at the time of the  
25 appointment or election;

26 (2) a resident of the district; and

27 (3) a qualified voter.

28 (b) A director who represents a county commissioners  
29 precinct must be a resident of that precinct. (Acts 64th Leg.,  
30 R.S., Ch. 658, Sec. 4(a) (part).)

31 Source Law

32 (a) . . . each shall be a resident of the  
33 precinct he represents. . . . No person may be  
34 appointed or elected as a member of the board of  
35 directors of said hospital district unless he is a  
36 resident thereof and a qualified elector, and unless  
37 at the time of such election or appointment he is not  
38 less than 18 years of age. . . .

39 Revisor's Note

40 Section 4(a), Chapter 658, Acts of the 64th  
41 Legislature, Regular Session, 1975, refers to an  
42 "elector." Throughout this chapter, the revised law  
43 substitutes "voter" for "elector" because "voter" is  
44 the term used in the Election Code.

45 Revised Law

46 Sec. 1110.053. EX OFFICIO DIRECTOR. The chief of staff may  
47 serve as an ex officio director without the right to vote as a

1 director. (Acts 64th Leg., R.S., Ch. 658, Sec. 4(a) (part).)

2 Source Law

3 (a) . . . The chief of staff may serve as an ex  
4 officio director without the right to vote as a member  
5 of the board. . . .

6 Revised Law

7 Sec. 1110.054. BALLOT PETITION. A person who wants to have  
8 the person's name printed on the ballot as a candidate for director  
9 must file with the board secretary a petition requesting that  
10 action. The petition must be:

- 11 (1) signed by at least 10 registered voters; and
- 12 (2) filed by the deadline imposed by Section 144.005,  
13 Election Code. (Acts 64th Leg., R.S., Ch. 658, Sec. 4(c) (part).)

14 Source Law

15 (c) . . . Any person desiring his name to be  
16 printed on the ballot as a candidate for director shall  
17 file a petition, signed by not less than 10 legally  
18 qualified taxpaying voters asking that such name be  
19 printed on the ballot, with the secretary of the board  
20 of directors of the district. Such petitions shall be  
21 filed with such secretary at least 35 days prior to the  
22 date of election.

23 Revisor's Note

24 (1) Section 4(c), Chapter 658, Acts of the 64th  
25 Legislature, Regular Session, 1975, refers to "legally  
26 qualified taxpaying voters" in the district. The  
27 revised law omits "taxpaying" as unnecessary in this  
28 context because Chapter 11, Election Code, governs  
29 eligibility to vote in an election in this state and  
30 allows only "qualified" voters who are residents of  
31 the territory covered by the election to vote in an  
32 election. The revised law substitutes "registered" for  
33 "legally qualified" because in the context of  
34 eligibility to sign a petition, Section 277.0021,  
35 Election Code, provides that "qualified voter" means a  
36 "registered voter."

37 (2) Section 4(c), Chapter 658, Acts of the 64th  
38 Legislature, Regular Session, 1975, requires a  
39 candidate for director to file a petition signed by at

1 least 10 voters at least 35 days before the date of the  
2 election to have the candidate's name appear on the  
3 ballot. Under Section 144.003, Election Code  
4 (applicable to the district under Section 144.001,  
5 Election Code), a candidate for office must submit an  
6 application for a place on the ballot. The application  
7 must be filed by the deadline imposed by Section  
8 144.005, Election Code, which is either 71 or 78 days  
9 before the date of the election, depending on when the  
10 election is held. Because the petition serves as an  
11 additional requirement for a candidate to appear on  
12 the ballot, the revised law conforms the date the  
13 petition must be filed to the date the application must  
14 be filed.

15 Revised Law

16 Sec. 1110.055. NOTICE OF ELECTION. At least 10 days before  
17 the date of a directors' election, notice of the election shall be  
18 published one time in a newspaper of general circulation in Val  
19 Verde County. (Acts 64th Leg., R.S., Ch. 658, Sec. 4(c) (part).)

20 Source Law

21 (c) [A regular election of directors] . . .  
22 notice of such election shall be published in a  
23 newspaper of general circulation in the county one  
24 time at least 10 days prior to the date of  
25 election. . . .

26 Revisor's Note

27 Section 4(c), Chapter 658, Acts of the 64th  
28 Legislature, Regular Session, 1975, requires notice of  
29 a directors' election to be published in "the county."  
30 Throughout this chapter, the revised law substitutes  
31 "Val Verde County" for "the county" because Val Verde  
32 County is the county in which the district is located.

33 Revised Law

34 Sec. 1110.056. BOARD VACANCY. (a) If a vacancy occurs in  
35 the office of director, the remaining directors shall appoint a  
36 director for the unexpired term.

1 (b) If the number of directors is reduced to fewer than four  
2 for any reason, the remaining directors shall immediately call a  
3 special election to fill the vacancies. If the remaining directors  
4 do not call the election, a district court, on application of a  
5 district voter or taxpayer, may order the directors to hold the  
6 election. (Acts 64th Leg., R.S., Ch. 658, Sec. 4(b) (part).)

7 Source Law

8 (b) . . . All vacancies in the office of  
9 director shall be filled for the unexpired term by  
10 appointment by the remainder of the board of  
11 directors. In the event the number of directors shall  
12 be reduced to less than four for any reason, the  
13 remaining directors shall immediately call a special  
14 election to fill said vacancies, and upon failure to do  
15 so a district court may, upon application of any voter  
16 or taxpayer of the district, issue a mandate requiring  
17 that such election be ordered by the remaining  
18 directors.

19 Revisor's Note

20 Section 4(b), Chapter 658, Acts of the 64th  
21 Legislature, Regular Session, 1975, provides that if  
22 there are fewer than four directors, a district court  
23 may "issue a mandate requiring that such election [to  
24 fill vacancies in directors' offices] be ordered by the  
25 remaining directors." The revised law substitutes  
26 "order the directors to hold the election" for the  
27 quoted language because a mandate requiring directors  
28 to order an election is necessarily an order for  
29 directors to hold the election. See generally Titles 1  
30 and 4 through 7, Election Code, providing that the  
31 authority ordering an election is the authority  
32 responsible for holding the election.

33 Revised Law

34 Sec. 1110.057. OFFICERS. The board shall elect from among  
35 its members a president and secretary. (Acts 64th Leg., R.S., Ch.  
36 658, Sec. 4(b) (part).)

37 Source Law

38 (b) The board of directors shall organize by  
39 electing one of their number as president and one of  
40 their number as secretary. . . .





1 amount set by the board of not less than \$5,000 that:

2 (1) is conditioned on the administrator performing the  
3 administrator's duties; and

4 (2) contains any other condition the board requires.  
5 (Acts 64th Leg., R.S., Ch. 658, Sec. 6 (part).)

6 Source Law

7 Sec. 6. . . . The board of directors may appoint  
8 a qualified person to be known as the administrator or  
9 manager of the hospital district and may also appoint  
10 an assistant to the administrator or manager. Such  
11 administrator or manager and assistant administrator  
12 or manager, if any, shall serve at the will of the  
13 board and shall receive such compensation as may be  
14 fixed by the board. The administrator or manager  
15 shall, upon assuming his duties, execute a bond  
16 payable to the hospital district in an amount to be set  
17 by the board of directors, in no event less than  
18 \$5,000, conditioned that he shall perform the duties  
19 required of him, and containing such other conditions  
20 as the board may require. . . .

21 Revisor's Note

22 Section 6, Chapter 658, Acts of the 64th  
23 Legislature, Regular Session, 1975, provides that the  
24 board may appoint a person as the "administrator or  
25 manager" of the district and may appoint an "assistant  
26 to the administrator or manager." Throughout this  
27 chapter, the revised law omits "manager" because, in  
28 context, "manager" is included in the meaning of  
29 "administrator."

30 Revised Law

31 Sec. 1110.063. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
32 Subject to any limitations prescribed by the board, the district  
33 administrator shall:

34 (1) supervise the work and activities of the district;  
35 and

36 (2) direct the affairs of the district. (Acts 64th  
37 Leg., R.S., Ch. 658, Sec. 6 (part).)

38 Source Law

39 Sec. 6. . . . The administrator or manager  
40 shall supervise all the work and activities of the  
41 district and shall have general direction of the  
42 affairs of the district, subject to the limitations as  
43 may be prescribed by the board. . . .

1 Revised Law

2 Sec. 1110.064. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
3 board may appoint to the staff any doctors the board considers  
4 necessary for the efficient operation of the district and may make  
5 temporary appointments as warranted.

6 (b) The district may employ fiscal agents, accountants,  
7 architects, and attorneys as the board considers proper.

8 (c) The board may delegate to the district administrator the  
9 authority to employ technicians, nurses, and district employees.

10 (Acts 64th Leg., R.S., Ch. 658, Secs. 6 (part), 15.)

11 Source Law

12 Sec. 6. . . . The board of directors shall have  
13 the authority to appoint to the staff such doctors as  
14 it may be deemed necessary for the efficient operation  
15 of the district, and may provide for temporary  
16 appointments to the staff if warranted by  
17 circumstances. The board may delegate to the  
18 administrator or manager the authority to employ  
19 technicians, nurses, and employees of the  
20 district. . . .

21 Sec. 15. The district may employ fiscal agents,  
22 accountants, architects, and attorneys as the board  
23 may consider proper.

24 Revised Law

25 Sec. 1110.065. SENIORITY; RETIREMENT BENEFITS. The board  
26 may:

27 (1) adopt rules relating to the seniority of district  
28 employees, including rules for a retirement plan based on  
29 seniority; and

30 (2) give effect to previous years of service for those  
31 employees continuously employed in the operation or management of  
32 hospital facilities:

33 (A) constructed by the district; or

34 (B) acquired by the district, including  
35 facilities acquired when the district was created because of former  
36 Section 2, Chapter 658, Acts of the 64th Legislature, Regular  
37 Session, 1975. (Acts 64th Leg., R.S., Ch. 658, Sec. 6 (part).)

38 Source Law

39 Sec. 6. . . . The board is given full authority  
40 to establish rules and regulations relating to

1 seniority of employees of the district, including a  
2 retirement plan based thereon, and may give effect to  
3 previous years of service for those employees who have  
4 been continuously employed in the operation or  
5 management of the hospital facilities acquired,  
6 including those acquired upon the creation thereof by  
7 reason of Section 2 of this Act, or constructed by the  
8 district. . . .

9 Revisor's Note

10 Section 6, Chapter 658, Acts of the 64th  
11 Legislature, Regular Session, 1975, refers to "rules  
12 and regulations" established by the board. Throughout  
13 this chapter, the revised law omits "regulations"  
14 because under Section 311.005, Government Code (Code  
15 Construction Act), a rule is defined to include a  
16 regulation.

17 [Sections 1110.066-1110.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Revised Law

20 Sec. 1110.101. DISTRICT RESPONSIBILITY. The district has  
21 full responsibility for providing hospital care for the district's  
22 indigent residents. (Acts 64th Leg., R.S., Ch. 658, Sec. 19  
23 (part).)

24 Source Law

25 Sec. 19. . . . The said hospital district shall  
26 assume full responsibility for providing hospital care  
27 for the indigents residing within the district. . . .

28 Revisor's Note

29 Section 19, Chapter 658, Acts of the 64th  
30 Legislature, Regular Session, 1975, provides that the  
31 district "shall assume" full responsibility for  
32 providing hospital care for the district's indigent  
33 residents. The revised law substitutes "has" for the  
34 quoted language because the duty to assume the  
35 responsibility is executed.

36 Revised Law

37 Sec. 1110.102. RESTRICTION ON POLITICAL SUBDIVISION  
38 TAXATION AND DEBT. A political subdivision located within the  
39 district may not impose a tax or issue bonds or other obligations

1 for hospital purposes or to provide medical care. (Acts 64th Leg.,  
2 R.S., Ch. 658, Sec. 19 (part).)

3 Source Law

4 Sec. 19. After creation of the hospital  
5 district, no municipality or political subdivision  
6 within the boundaries of the district shall have the  
7 power to levy taxes or issue bonds or other obligations  
8 for hospital purposes or for providing medical  
9 care. . . .

10 Revisor's Note

11 (1) Section 19, Chapter 658, Acts of the 64th  
12 Legislature, Regular Session, 1975, provides that  
13 "[a]fter creation of the hospital district," certain  
14 political subdivisions may not levy taxes or issue  
15 certain bonds or other obligations. The revised law  
16 omits the quoted language as executed. In addition,  
17 throughout this chapter, the revised law substitutes  
18 "impose" for "levy" because, in this context, the  
19 terms are synonymous and "impose" is more commonly  
20 used.

21 (2) Section 19, Chapter 658, Acts of the 64th  
22 Legislature, Regular Session, 1975, refers to a  
23 "municipality or political subdivision." Throughout  
24 this chapter, the revised law omits the reference to  
25 "municipality" because "municipality" is included in  
26 the meaning of "political subdivision."

27 Revised Law

28 Sec. 1110.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
29 The board shall manage, control, and administer the hospital system  
30 and all the district's money and resources. (Acts 64th Leg., R.S.,  
31 Ch. 658, Sec. 6 (part).)

32 Source Law

33 Sec. 6. The board of directors shall manage,  
34 control, and administer the hospital system and all  
35 funds and resources of the district, but . . . .

36 Revised Law

37 Sec. 1110.104. HOSPITAL SYSTEM. The district shall provide  
38 for:

- 1 (1) the establishment of a hospital system by:  
2 (A) purchasing, constructing, acquiring,  
3 repairing, or renovating buildings and equipment; and  
4 (B) equipping the buildings; and  
5 (2) the administration of the hospital system for  
6 hospital purposes. (Acts 64th Leg., R.S., Ch. 658, Sec. 2 (part).)

7 Source Law

8 Sec. 2. . . . the district shall provide for the  
9 establishment of a hospital system by the purchase,  
10 construction, acquisition, repair, or renovation of  
11 buildings and equipment, and equipping the same, and  
12 the administration thereof for hospital  
13 purposes. . . .

14 Revised Law

15 Sec. 1110.105. RULES. The board may adopt rules governing  
16 the operation of the hospital, the hospital system, and the  
17 district's staff and employees. (Acts 64th Leg., R.S., Ch. 658,  
18 Sec. 6 (part).)

19 Source Law

20 Sec. 6. . . . The district, through its board of  
21 directors, shall have the power and authority . . . to  
22 promulgate rules and regulations governing the  
23 operation of the hospital, hospital system, its staff,  
24 and its employees. . . .

25 Revisor's Note

26 Section 6, Chapter 658, Acts of the 64th  
27 Legislature, Regular Session, 1975, provides that the  
28 board may "promulgate" rules to govern the district.  
29 The revised law substitutes "adopt" for "promulgate"  
30 because the terms are synonymous and "adopt" is more  
31 commonly used.

32 Revised Law

33 Sec. 1110.106. PURCHASING AND ACCOUNTING. The board may  
34 prescribe:

- 35 (1) the method and manner of making purchases and  
36 expenditures by and for the district; and  
37 (2) all accounting and control procedures. (Acts 64th  
38 Leg., R.S., Ch. 658, Sec. 11(a).)



1 Revised Law

2 Sec. 1110.108. DISTRICT PROPERTY, FACILITIES, AND  
3 EQUIPMENT. (a) The board may lease all or part of the district's  
4 property, including facilities or equipment, on terms the board  
5 considers to be in the best interest of the district's residents.  
6 The term of the lease may not exceed 25 years from the date entered.

7 (b) The board may:

8 (1) lease or acquire property, including facilities or  
9 equipment, for the use of the district; and

10 (2) mortgage or pledge the property as security for  
11 the payment of the purchase price.

12 (c) The board may sell or otherwise dispose of property,  
13 including facilities or equipment, for the district. Sale or other  
14 disposal under this subsection must be at a public sale and at a  
15 price and on terms the board determines are most advantageous to the  
16 district.

17 (d) The board may donate to another governmental entity or  
18 to a charitable organization any surplus personal property or  
19 equipment if the donation serves a public purpose and is  
20 accompanied by adequate consideration. (Acts 64th Leg., R.S., Ch.  
21 658, Secs. 10(b), (c), (d), 11(c) (part).)

22 Source Law

23 [Sec. 10]

24 (b) The board may sell or otherwise dispose of  
25 property, facilities, or equipment on behalf of the  
26 district. Sale or other disposal of the property,  
27 facilities, or equipment must be at a public sale and  
28 at a price and on the terms the board determines are  
29 most advantageous to the district.

30 (c) The board may lease all or part of property,  
31 facilities, or equipment on behalf of the district and  
32 on terms and conditions the board considers to be in  
33 the best interest of the residents of the district. The  
34 term of a lease may not exceed 25 years from the date  
35 entered.

36 (d) The board may donate to another governmental  
37 entity or to a charitable organization any surplus  
38 personal property or equipment if the donation serves  
39 a public purpose and is accompanied by adequate  
40 consideration.

41 [Sec. 11]

42 (c) The board may lease or acquire property,  
43 facilities, and equipment for the use of the district  
44 and may mortgage or pledge the property, facilities,  
45 or equipment as security for the payment of the

1 purchase price. . . .

2 Revisor's Note

3 Section 10(c), Chapter 658, Acts of the 64th  
4 Legislature, Regular Session, 1975, refers to "terms  
5 and conditions." The revised law omits "conditions"  
6 because "conditions" is included in the meaning of  
7 "terms."

8 Revised Law

9 Sec. 1110.109. GIFTS AND ENDOWMENTS. The board may accept  
10 for the district a gift or endowment to be held in trust and  
11 administered by the board for the purposes and under the  
12 directions, limitations, and other provisions prescribed in  
13 writing by the donor that are not inconsistent with the proper  
14 management and objectives of the district. (Acts 64th Leg., R.S.,  
15 Ch. 658, Sec. 18 (part).)

16 Source Law

17 Sec. 18. The board of directors of the hospital  
18 district is authorized on behalf of such district to  
19 accept donations, gifts, and endowments, . . . to be  
20 held in trust and administered by the board of  
21 directors for such purposes and under such directions,  
22 limitations, and provisions as may be prescribed in  
23 writing by the donor not inconsistent with proper  
24 management and objective of the hospital district.

25 Revisor's Note

26 (1) Section 18, Chapter 658, Acts of the 64th  
27 Legislature, Regular Session, 1975, refers to  
28 "donations" and "gifts." The revised law omits  
29 "donations" because "donations" is included in the  
30 meaning of "gifts."

31 (2) Section 18, Chapter 658, Acts of the 64th  
32 Legislature, Regular Session, 1975, refers to previous  
33 gifts or endowments made to Val Verde County for  
34 hospital purposes. The revised law omits the  
35 provision as executed. The omitted law reads:

36 Sec. 18. . . . in addition to those  
37 heretofore made to Val Verde County for  
38 hospital purposes, . . . .

1 Revised Law

2 Sec. 1110.110. CONSTRUCTION AND PURCHASE CONTRACTS. (a) A  
3 construction contract that involves the expenditure of more than  
4 \$50,000 shall be procured in the manner provided by Subchapter B,  
5 Chapter 271, Local Government Code.

6 (b) A contract for a purchase that involves the expenditure  
7 of more than \$50,000, other than a contract subject to Subchapter B,  
8 Chapter 271, Local Government Code, or Chapter 2253, Government  
9 Code, shall be procured in the manner provided by Subchapter C,  
10 Chapter 262, Local Government Code.

11 (c) The provisions of Chapter 2253, Government Code,  
12 relating to performance and payment bonds, apply to construction  
13 contracts let by the district. (Acts 64th Leg., R.S., Ch. 658, Sec.  
14 11(b).)

15 Source Law

16 (b) Construction contracts involving the  
17 expenditure of more than \$50,000 shall be procured in  
18 the manner provided by Subchapter B, Chapter 271,  
19 Local Government Code. All contracts for purchases  
20 involving the expenditure of more than \$50,000, other  
21 than contracts subject to Subchapter B, Chapter 271,  
22 Local Government Code, or Chapter 2253, Government  
23 Code, shall be procured in the manner provided by  
24 Subchapter C, Chapter 262, Local Government Code. The  
25 provisions of Chapter 2253, Government Code, relating  
26 to performance and payment bonds, shall apply to  
27 construction contracts let by the district.

28 Revised Law

29 Sec. 1110.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
30 CARE AND TREATMENT. The board may contract with:

31 (1) any county or municipality located outside the  
32 district's boundaries for the care and treatment of a sick or  
33 injured person of that county or municipality; and

34 (2) this state or a federal agency for the treatment of  
35 a sick or injured person. (Acts 64th Leg., R.S., Ch. 658, Sec. 6  
36 (part).)

37 Source Law

38 Sec. 6. . . . Such board . . . shall be  
39 authorized to contract with any county or incorporated  
40 municipality located outside its boundaries for the  
41 care and treatment of the sick, diseased, or injured  
42 persons of any such county or municipality, and shall

1 have the authority to contract with the State of Texas  
2 or agencies of the federal government for the  
3 treatment of sick, diseased, or injured persons.

4 Revisor's Note

5 (1) Section 6, Chapter 658, Acts of the 64th  
6 Legislature, Regular Session, 1975, refers to an  
7 "incorporated" municipality. The revised law omits  
8 "incorporated" because under the Local Government Code  
9 all municipalities must be incorporated.

10 (2) Section 6, Chapter 658, Acts of the 64th  
11 Legislature, Regular Session, 1975, refers to the  
12 treatment of "sick, diseased, or injured persons."  
13 The revised law omits "diseased" because "diseased" is  
14 included in the meaning of "sick."

15 Revised Law

16 Sec. 1110.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
17 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
18 political subdivision or governmental agency for the district to  
19 provide investigatory or other services as to the hospital or  
20 welfare needs of district inhabitants. (Acts 64th Leg., R.S., Ch.  
21 658, Sec. 6 (part).)

22 Source Law

23 Sec. 6. . . . Such board shall be authorized to  
24 contract with any other political subdivision or  
25 governmental agency whereby the district will provide  
26 investigatory or other services as to the hospital, or  
27 welfare needs of the inhabitants of the district and  
28 . . . .

29 Revised Law

30 Sec. 1110.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
31 When a patient who resides in the district is admitted to a district  
32 facility, the district administrator may have an inquiry made into  
33 the circumstances of:

34 (1) the patient; and

35 (2) the patient's relatives legally liable for the  
36 patient's support.

37 (b) If the district administrator determines that the  
38 patient or those relatives cannot pay for all or part of the

1 patient's care and treatment in the hospital, the amount that  
2 cannot be paid becomes a charge against the district.

3 (c) If the district administrator determines that the  
4 patient or those relatives can pay for all or part of the patient's  
5 care and treatment, the patient or those relatives shall be ordered  
6 to pay the district a specified amount each week for the patient's  
7 care and support. The amount ordered must be proportionate to their  
8 financial ability.

9 (d) The district administrator may collect the amount from  
10 the patient's estate, or from those relatives legally liable for  
11 the patient's support, in the manner provided by law for the  
12 collection of expenses of the last illness of a deceased person.

13 (e) If there is a dispute as to the ability to pay, or doubt  
14 in the mind of the district administrator, the board shall hold a  
15 hearing and, after calling witnesses, shall:

16 (1) resolve the dispute or doubt; and

17 (2) issue any appropriate orders.

18 (f) A final order of the board may be appealed to the  
19 district court. The substantial evidence rule applies to the  
20 appeal. (Acts 64th Leg., R.S., Ch. 658, Sec. 16.)

21 Source Law

22 Sec. 16. Whenever a patient residing within the  
23 district has been admitted to the facilities thereof,  
24 the administrator or manager may cause inquiry to be  
25 made as to his circumstances and those of the relatives  
26 of such patient legally liable for his support. If he  
27 finds that such patient or said relatives are able to  
28 pay for his care and treatment in whole or in part, an  
29 order shall be made directing such patient or said  
30 relatives to pay the hospital district for the care and  
31 support of such patient a specified sum per week in  
32 proportion to their financial ability. The  
33 administrator or manager shall have power and  
34 authority to collect such sums from the estate of the  
35 patient or his relatives legally liable for his  
36 support in the manner provided by law for the  
37 collection of expenses in the last illness of a  
38 deceased person. If the administrator or manager  
39 finds that such patient or said relatives are not able  
40 to pay either in whole or in part for his care and  
41 treatment in such hospital, same shall become a charge  
42 upon the hospital district as to the amount of the  
43 inability to pay. Should there be any dispute as to  
44 the ability to pay or doubt in the mind of the  
45 administrator or manager, the board of directors shall  
46 hear and determine same after calling witnesses, and  
47 shall make such order or orders as may be proper.

1 Appeals from the final order of the board shall lie to  
2 the district court. The substantial evidence rule  
3 shall apply.

4 Revised Law

5 Sec. 1110.114. FEE SCHEDULE FOR OUT-OF-DISTRICT RESIDENTS.  
6 The board may adopt a fee schedule for services rendered to  
7 out-of-district residents which may be different from the fee  
8 schedule for services rendered to district residents. (Acts 64th  
9 Leg., R.S., Ch. 658, Sec. 17.)

10 Source Law

11 Sec. 17. The board of directors may adopt a fee  
12 schedule for services rendered to out-of-district  
13 residents which may be different from the fee schedule  
14 for services rendered to district residents.

15 Revised Law

16 Sec. 1110.115. AUTHORITY TO SUE AND BE SUED. (a) The  
17 district, through the board, may sue and be sued.

18 (b) The district is entitled to all causes of action and  
19 defenses to which similar authorities performing only governmental  
20 functions are entitled. (Acts 64th Leg., R.S., Ch. 658, Sec. 6  
21 (part).)

22 Source Law

23 Sec. 6. . . . The district, through its board of  
24 directors, shall have the power and authority to sue  
25 and be sued, and shall be entitled to all causes of  
26 action and defenses enjoyed by similar authorities who  
27 perform only governmental functions, . . . .

28 [Sections 1110.116-1110.150 reserved for expansion]

29 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

30 Revised Law

31 Sec. 1110.151. BUDGET. (a) The district administrator  
32 shall prepare an annual budget for approval by the board.

33 (b) The proposed budget must contain a complete financial  
34 statement of:

- 35 (1) the outstanding obligations of the district;  
36 (2) the cash on hand to the credit of each district  
37 fund;  
38 (3) the money received by the district from all  
39 sources during the previous year;

1 (4) the money available to the district from all  
2 sources during the ensuing year;

3 (5) the balances expected at the end of the year in  
4 which the budget is being prepared;

5 (6) the estimated revenue and balances available to  
6 cover the proposed budget;

7 (7) the estimated tax rate required; and

8 (8) the proposed expenditures and disbursements and  
9 the estimated receipts and collections for the following fiscal  
10 year. (Acts 64th Leg., R.S., Ch. 658, Sec. 7 (part).)

11 Source Law

12 Sec. 7. . . . The administrator or manager  
13 shall prepare an annual budget for approval by the  
14 board of directors. The budget shall also contain a  
15 complete financial statement of the district showing  
16 all outstanding obligations of the district, the cash  
17 on hand to the credit of each and every fund of the  
18 district, the funds received from all sources during  
19 the previous year, the funds available from all  
20 sources during the ensuing year, with balances  
21 expected at year end of the year in which the budget is  
22 being prepared, and estimated revenues and balances  
23 available to cover the proposed budget and the  
24 estimated tax rate which will be required, and the  
25 proposed expenditures and disbursements and the  
26 estimated receipts and collections for the following  
27 fiscal year. . . .

28 Revised Law

29 Sec. 1110.152. PROPOSED BUDGET: NOTICE AND HEARING;  
30 APPROVAL OF BUDGET. (a) The board shall hold a public hearing on  
31 the proposed annual budget.

32 (b) At least 10 days before the date of the hearing, notice  
33 of the hearing shall be published one time in a newspaper or  
34 newspapers that individually or collectively provide general  
35 circulation in the district.

36 (c) Any property tax payer of the district is entitled to be  
37 present and participate at the hearing in accordance with the rules  
38 of decorum and procedures prescribed by the board.

39 (d) At the conclusion of the hearing, the board shall act on  
40 the budget proposed by the district administrator. The board may  
41 make any changes in the proposed budget that the board judges the  
42 law warrants and the interests of the taxpayers demand. The board

1 must approve the annual budget. (Acts 64th Leg., R.S., Ch. 658, Sec.  
2 7 (part).)

3 Source Law

4 Sec. 7. . . . A public hearing on the annual  
5 budget shall be held by the board of directors after  
6 notice of such hearing has been published one time at  
7 least 10 days before the date set therefor. Notice of  
8 the budget hearing shall be published in a newspaper or  
9 newspapers which individually or collectively provide  
10 general circulation in the hospital district. Any  
11 property taxpayer of the district shall have the right  
12 to be present and participate in said hearing within  
13 such rules of decorum and procedures as may be  
14 prescribed by the board. At the conclusion of the  
15 hearing, the budget, as proposed by the administrator,  
16 shall be acted upon by the board of directors. The  
17 board of directors shall have authority to make such  
18 changes in the budget as in their judgment the law  
19 warrants and the interest of the taxpayers  
20 demands. . . . the annual budget, and . . . shall be  
21 approved by the board of directors. . . .

22 Revised Law

23 Sec. 1110.153. AMENDMENTS TO BUDGET. The annual budget may  
24 be amended as required by circumstances. The board must approve all  
25 amendments. (Acts 64th Leg., R.S., Ch. 658, Sec. 7 (part).)

26 Source Law

27 Sec. 7. . . . The annual budget may be amended  
28 from time to time as the circumstances may require, but  
29 [the annual budget, and] all amendments thereto, shall  
30 be approved by the board of directors. . . .

31 Revisor's Note

32 Section 7, Chapter 658, Acts of the 64th  
33 Legislature, Regular Session, 1975, states that the  
34 board may amend the budget "from time to time."  
35 Throughout this chapter, the revised law omits the  
36 quoted language because the authority to take an  
37 action implies the authority to do so at any time.

38 Revised Law

39 Sec. 1110.154. RESTRICTION ON EXPENDITURES. Money may be  
40 spent only for an expense included in the budget or an amendment to  
41 the budget. (Acts 64th Leg., R.S., Ch. 658, Sec. 7 (part).)

42 Source Law

43 Sec. 7. . . . No expenditure may be made for  
44 any expense not included in the annual budget or an  
45 amendment thereto. . . .

1 Revised Law

2 Sec. 1110.155. FISCAL YEAR. (a) The district operates  
3 according to a fiscal year established by the board.

4 (b) The fiscal year may not be changed more than once in any  
5 24-month period. (Acts 64th Leg., R.S., Ch. 658, Sec. 7 (part).)

6 Source Law

7 Sec. 7. The district shall be operated on the  
8 basis of a fiscal year as established from time to time  
9 by the board of directors of the district, provided  
10 such fiscal year shall not be changed more often than  
11 once in any 24-month period. . . .

12 Revised Law

13 Sec. 1110.156. ANNUAL AUDIT. (a) The board annually shall  
14 have an independent audit made of the district's financial  
15 condition for the fiscal year.

16 (b) As soon as the audit is completed, the audit shall be  
17 filed at the district's office. (Acts 64th Leg., R.S., Ch. 658,  
18 Sec. 7 (part).)

19 Source Law

20 Sec. 7. . . . The board shall cause an  
21 independent audit to be made annually of the financial  
22 condition of the district, . . . such audit to be made  
23 covering such fiscal year, and the same shall be filed  
24 at the office of the district as soon as it is  
25 completed. . . .

26 Revised Law

27 Sec. 1110.157. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
28 The audit and other district records shall be open to inspection at  
29 the district's principal office. (Acts 64th Leg., R.S., Ch. 658,  
30 Sec. 7 (part).)

31 Source Law

32 Sec. 7. . . . [The board shall cause an  
33 independent audit] . . . which, together with other  
34 records of the district, shall be open to inspection at  
35 the principal office of the district, . . . .

36 Revised Law

37 Sec. 1110.158. FINANCIAL REPORT. As soon as practicable  
38 after the close of each fiscal year, the district administrator  
39 shall prepare for the board:

- 40 (1) a complete sworn statement of all district money;

1 and

2 (2) a complete account of the disbursement of that  
3 money. (Acts 64th Leg., R.S., Ch. 658, Sec. 7 (part).)

4 Source Law

5 Sec. 7. . . . As soon as practicable after the  
6 close of each fiscal year, the administrator or  
7 manager shall prepare for the board a full sworn  
8 statement of all moneys belonging to the district and a  
9 full account of the disbursement of same.

10 Revised Law

11 Sec. 1110.159. DEPOSITORY. (a) The board shall select one  
12 or more banks inside or outside the district to serve as a  
13 depository for district money.

14 (b) District money, other than money invested as provided by  
15 Section 1110.160(b) and money transmitted to a bank for payment of  
16 bonds or obligations issued or assumed by the district, shall be  
17 deposited as received with the depository bank and shall remain on  
18 deposit.

19 (c) This chapter, including Subsection (b), does not limit  
20 the power of the board to:

- 21 (1) place a part of district money on time deposit; or  
22 (2) purchase certificates of deposit. (Acts 64th  
23 Leg., R.S., Ch. 658, Sec. 12.)

24 Source Law

25 Sec. 12. The board of directors of the district  
26 shall name one or more banks within, without (either or  
27 both), its boundaries to serve as depository for the  
28 funds of the district. All funds of the district,  
29 except those invested as provided in Section 5 of this  
30 Act, and those transmitted to a bank or banks of  
31 payment for bonds or obligations issued or assumed by  
32 the district, shall be deposited as received with the  
33 depository bank and shall remain on deposit, provided  
34 that nothing herein shall limit the power of the board  
35 to place a portion of such funds on time deposit or  
36 purchase certificates of deposit.

37 Revisor's Note

38 Section 12, Chapter 658, Acts of the 64th  
39 Legislature, Regular Session, 1975, refers to funds  
40 "invested as provided in Section 5 of this Act."  
41 Section 5 is revised in Subchapter F. The reference to  
42 Section 5 is omitted as a typographical error since it

1 is clear from a reading of the section and similar laws  
2 that the legislature intended to refer to Section 6 in  
3 the source law. A reference to the section in which the  
4 relevant part of Section 6 is codified (Section  
5 1110.160(b)) is added.

6 Revised Law

7 Sec. 1110.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
8 Except as otherwise provided by Section 1110.108(b) and Sections  
9 1110.201-1110.207, the district may not incur an obligation payable  
10 from district revenue other than the revenue on hand or to be on  
11 hand in the current and following district fiscal years.

12 (b) The board may invest operating, depreciation, or  
13 building fund reserves only in funds or securities specified by  
14 Chapter 2256, Government Code. (Acts 64th Leg., R.S., Ch. 658,  
15 Secs. 6 (part), 11(c) (part).)

16 Source Law

17 Sec. 6. . . . in no event shall any operating,  
18 depreciation, or building fund reserves be invested in  
19 any funds or securities other than those specified in  
20 Articles 836 and 837, Revised Civil Statutes of Texas,  
21 1925, as amended. . . .

22 [Sec. 11]

23 (c) . . . Except as permitted in the preceding  
24 sentence and as permitted by Sections 7 and 8 of this  
25 Act, the district may incur no obligation payable from  
26 any revenues of the district, taxes or otherwise,  
27 except those on hand or to be on hand within the then  
28 current and following fiscal year of the district.

29 Revisor's Note

30 (1) Section 6, Chapter 658, Acts of the 64th  
31 Legislature, Regular Session, 1975, refers to  
32 "Articles 836 and 837, Revised Civil Statutes of  
33 Texas, 1925, as amended." Those articles were  
34 impliedly repealed by the enactment of the Public  
35 Funds Investment Act of 1987 (Article 842a-2, Vernon's  
36 Texas Civil Statutes), which was codified in 1993 as  
37 Chapter 2256, Government Code. Chapter 2256 defines  
38 "local government" to include hospital districts and  
39 applies to the district by its own terms. The revised

1 law therefore substitutes a reference to Chapter 2256,  
2 Government Code, for the reference to Articles 836 and  
3 837.

4 (2) Section 11(c), Chapter 658, Acts of the 64th  
5 Legislature, Regular Session, 1975, states that  
6 "[e]xcept as permitted in the preceding sentence and  
7 as permitted by Sections 7 and 8" the district may not  
8 incur certain obligations. The preceding sentence in  
9 Section 11(c) is revised in Section 1110.108(b).  
10 Section 8 is revised in Sections 1110.201-1110.203.  
11 The revised law is drafted accordingly. The reference  
12 to Section 7 in the source law is omitted as a  
13 typographical error, since it is clear from a reading  
14 of Section 7, codified in this chapter as Sections  
15 1110.151-1110.158, and similar laws that Section 7  
16 does not relate to the power of the district to incur  
17 obligations and that the legislature intended to  
18 reference Sections 8 and 9 in the source law  
19 (Subchapter E of the revised law). In addition, a  
20 reference to the sections in which Section 9 is  
21 codified (Sections 1110.204-1110.207) is added.

22 [Sections 1110.161-1110.200 reserved for expansion]

#### 23 SUBCHAPTER E. BONDS

##### 24 Revised Law

25 Sec. 1110.201. GENERAL OBLIGATION BONDS. The board may  
26 issue and sell general obligation bonds in the name and on the faith  
27 and credit of the district for any purpose relating to:

28 (1) constructing, acquiring, repairing, or renovating  
29 buildings and improvements; and

30 (2) equipping buildings and improvements for hospital  
31 purposes. (Acts 64th Leg., R.S., Ch. 658, Sec. 8 (part).)

##### 32 Source Law

33 Sec. 8. The board of directors shall have the  
34 power and authority to issue and sell its bonds in the  
35 name and upon the faith and credit of such hospital  
36 district for the purpose, construction, acquisition,

1 repair, or renovation of buildings and improvements  
2 and equipping the same for hospital purposes, and for  
3 any or all of such purposes. . . .

4 Revisor's Note

5 Section 8, Chapter 658, Acts of the 64th  
6 Legislature, Regular Session, 1975, provides that the  
7 board may issue and sell bonds in the name and on the  
8 faith and credit of the district. Because the type of  
9 bonds described by Section 8 are known as "general  
10 obligation bonds," the revised law is drafted  
11 accordingly.

12 Revised Law

13 Sec. 1110.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
14 the time general obligation bonds are issued by the district under  
15 Section 1110.201, the board shall impose an ad valorem tax at a rate  
16 sufficient to create an interest and sinking fund to pay the  
17 principal of and interest on the bonds as the bonds mature.

18 (b) The tax required by this section together with any other  
19 ad valorem tax the district imposes may not in any year exceed the  
20 tax rate approved by the voters at the election authorizing the  
21 imposition of the tax. (Acts 64th Leg., R.S., Ch. 658, Sec. 8  
22 (part).)

23 Source Law

24 Sec. 8. . . . At the time of the issuance of any  
25 bonds by the district a tax shall be levied by the  
26 board sufficient to create an interest and sinking  
27 fund to pay the interest on and principal of said bonds  
28 as same mature, providing such tax together with any  
29 other taxes levied for said district shall not exceed  
30 the rate of tax voted under the provisions of Section  
31 3(b) of this Act. . . .

32 Revisor's Note

33 (1) Section 8, Chapter 658, Acts of the 64th  
34 Legislature, Regular Session, 1975, requires the  
35 district to levy a tax to pay the principal of and  
36 interest on bonds. The revised law specifies that the  
37 tax is an "ad valorem" tax because it is clear from the  
38 source law that the tax is a property tax. Section  
39 1(b), Article VIII, Texas Constitution, requires all

1 property that is taxed to be taxed in proportion to its  
2 value, and accordingly "ad valorem" tax is the term  
3 most commonly used in Texas law to refer to a tax on  
4 property.

5 (2) Section 8, Chapter 658, Acts of the 64th  
6 Legislature, Regular Session, 1975, provides that the  
7 tax rate may not exceed "the rate of tax voted under  
8 the provisions of Section 3(b) of this Act." Section  
9 3(b) sets out procedures for the district's creation  
10 election and requires voter approval of the district's  
11 authority to impose taxes. Because the revised law  
12 omits Section 3(b) for the reason stated in the  
13 revisor's note at the end of Subchapter A, the revised  
14 law substitutes "the tax rate approved by the voters at  
15 the election authorizing the imposition of the tax"  
16 for the quoted language.

17 Revised Law

18 Sec. 1110.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
19 district may issue general obligation bonds only if the bonds are  
20 authorized by a majority of the district voters voting at an  
21 election held for that purpose.

22 (b) The order calling the bond election must provide for  
23 clerks as in county elections and must specify:

- 24 (1) the date of the election;  
25 (2) the location of the polling places;  
26 (3) the presiding and alternate election judges for  
27 each polling place;  
28 (4) the amount of the bonds to be authorized;  
29 (5) the maximum interest rate of the bonds; and  
30 (6) the maximum maturity of the bonds.

31 (c) Notice of a bond election shall be given as provided by  
32 Section 1251.003, Government Code. (Acts 64th Leg., R.S., Ch. 658,  
33 Sec. 8 (part).)



1 requirements for a bond election. That provision was  
2 codified in 1999 as Section 1251.003, Government Code.  
3 The revised law is drafted accordingly.

4 (4) Section 8, Chapter 658, Acts of the 64th  
5 Legislature, Regular Session, 1975, states that the  
6 election "shall be conducted in accordance with the  
7 general laws of Texas pertaining to general elections,  
8 except as modified by the provisions of this Act." The  
9 revised law omits the quoted language because Section  
10 1.002, Election Code, provides that the Election Code  
11 applies to all elections held in this state. An  
12 exception to the application of the Election Code  
13 would apply by its own terms.

#### 14 Revised Law

15 Sec. 1110.204. REVENUE BONDS. (a) The board may issue  
16 revenue bonds to purchase, construct, acquire, repair, renovate,  
17 or equip buildings and improvements for hospital purposes.

18 (b) The bonds must be payable from and secured by a pledge of  
19 all or part of the district revenue derived from the operation of  
20 the district's hospitals.

21 (c) The bonds may be additionally secured by a mortgage or  
22 deed of trust lien on all or part of district property.

23 (d) The bonds must be issued in the manner and in accordance  
24 with the procedures and requirements prescribed by Sections  
25 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
26 and Safety Code, for issuance of revenue bonds by a county hospital  
27 authority. (Acts 64th Leg., R.S., Ch. 658, Sec. 9(b) (part).)

#### 28 Source Law

29 (b) In addition to the power to issue bonds  
30 payable from taxes levied by the district, as  
31 contemplated by the preceding section, the board of  
32 directors is further authorized to issue and . . .  
33 revenue bonds for purchasing, constructing,  
34 acquiring, repairing, equipping, or renovating  
35 buildings and improvements for hospital purposes, such  
36 bonds to be payable from and secured by a pledge of all  
37 or any part of the revenues of the district to be  
38 derived from the operation of its hospital or  
39 hospitals and such bonds may be additionally secured  
40 by a mortgage or deed of trust lien on any part or all

1 of its properties. Such bonds shall be issued in the  
2 manner and in accordance with the procedures and  
3 requirements specified for the issuance of revenue  
4 bonds by county hospital authorities in Sections 8,  
5 10, 11, 12, and 13, Chapter 122, Acts of the 58th  
6 Legislature, 1963 (Article 4494r, Vernon's Texas Civil  
7 Statutes).

8 Revisor's Note

9 Section 9(b), Chapter 658, Acts of the 64th  
10 Legislature, Regular Session, 1975, refers to Sections  
11 8 and 10 through 13 of Chapter 122, Acts of the 58th  
12 Legislature, 1963 (Article 4494r, Vernon's Texas Civil  
13 Statutes). Those provisions were codified in 1989 as  
14 Sections 264.042, 264.043, 264.046, 264.047, 264.048,  
15 and 264.049, Health and Safety Code. The revised law  
16 is drafted accordingly.

17 Revised Law

18 Sec. 1110.205. REFUNDING BONDS. (a) The board may issue  
19 refunding bonds to refund outstanding indebtedness issued or  
20 assumed by the district.

21 (b) A refunding bond may be:

22 (1) sold, with the proceeds of the refunding bond  
23 applied to the payment of outstanding indebtedness; or

24 (2) exchanged wholly or partly for not less than a  
25 similar principal amount of outstanding indebtedness. (Acts 64th  
26 Leg., R.S., Ch. 658, Secs. 9(a) (part), (b) (part).)

27 Source Law

28 Sec. 9. (a) Refunding bonds of the district  
29 may be issued for the purpose of refunding and paying  
30 off any outstanding indebtedness it has issued or  
31 assumed. Such refunding bonds may be sold and the  
32 proceeds thereof applied to the payment of outstanding  
33 indebtedness, or may be exchanged in whole or in part  
34 for not less than a like principal amount of such  
35 outstanding indebtedness, . . . .

36 (b) . . . the board of directors is further  
37 authorized . . . to refund any previously issued  
38 revenue bonds . . . .

39 Revisor's Note

40 (1) Section 9(a), Chapter 658, Acts of the 64th  
41 Legislature, Regular Session, 1975, limits the  
42 interest rate for refunding bonds issued by the  
43 district. The revised law omits that provision as

1 impliedly repealed by Section 2(a), Chapter 3, Acts of  
2 the 61st Legislature, Regular Session, 1969 (Article  
3 717k-2, Vernon's Texas Civil Statutes), which was  
4 codified in 1999 as Section 1204.006(a), Government  
5 Code. Section 1204.006(a), Government Code, permits a  
6 public agency, including a hospital district, to issue  
7 bonds at a net effective interest rate not to exceed 15  
8 percent and applies to district bonds by application  
9 of Section 1204.001, Government Code. The omitted law  
10 reads:

11 (a) . . . provided that if refunding  
12 bonds are to be exchanged for a like amount  
13 of said outstanding indebtedness, such  
14 refunding bonds shall bear interest at the  
15 same or lower rate than borne by the debt  
16 refunded, unless it is shown mathematically  
17 that a saving will result in the total  
18 amount of interest to be paid on said  
19 refunding bonds, and . . . .

20 (2) Section 9(a), Chapter 658, Acts of the 64th  
21 Legislature, Regular Session, 1975, provides that  
22 refunding bonds sold to pay outstanding indebtedness  
23 must be issued and payments made in the manner  
24 specified by Chapter 503, Acts of the 54th  
25 Legislature, Regular Session, 1955, as amended  
26 (Article 717k, Vernon's Texas Civil Statutes).  
27 Article 717k was codified in 1999 as part of Chapter  
28 1207, Government Code. The revised law omits the  
29 provision because Chapter 1207, Government Code,  
30 applies to the district by its own terms under Section  
31 1207.001, Government Code. The omitted law reads:

32 (a) . . . provided further that if  
33 such refunding bonds are to be sold and the  
34 proceeds thereof applied to the payment of  
35 any such outstanding indebtedness, same  
36 shall be issued and payments made in the  
37 manner specified by Chapter 503, Acts of the  
38 54th Legislature, 1955, as amended (Article  
39 717k, Vernon's Texas Civil Statutes).

40 Revised Law

41 Sec. 1110.206. MATURITY OF BONDS. District bonds must  
42 mature not later than 40 years after their date of issuance. (Acts

1 64th Leg., R.S., Ch. 658, Sec. 9(c) (part).)

2 Source Law

3 (c) Bonds of the district shall mature within 40  
4 years of their date and . . . .

5 Revised Law

6 Sec. 1110.207. EXECUTION OF BONDS. The board president  
7 shall execute the district's bonds in the district's name and the  
8 board secretary shall countersign the bonds in the manner provided  
9 by Chapter 618, Government Code. (Acts 64th Leg., R.S., Ch. 658,  
10 Sec. 9(c) (part).)

11 Source Law

12 (c) . . . Bonds shall be executed in the name of  
13 the hospital district and in its behalf by the  
14 president of the board and countersigned by the  
15 secretary in the manner provided by Chapter 204, Acts  
16 of the 57th Legislature, Regular Session, 1961, as  
17 amended (Article 717j-1, Vernon's Texas Civil  
18 Statutes), and . . . .

19 Revisor's Note

20 (1) Section 9(c), Chapter 658, Acts of the 64th  
21 Legislature, Regular Session, 1975, refers to Chapter  
22 204, Acts of the 57th Legislature, Regular Session,  
23 1961, as amended (Article 717j-1, Vernon's Texas Civil  
24 Statutes). That statute was codified in 1999 as  
25 Chapter 618, Government Code, and the revised law is  
26 drafted accordingly.

27 (2) Section 9(c), Chapter 658, Acts of the 64th  
28 Legislature, Regular Session, 1975, provides that  
29 district bonds issued may bear interest at a rate that  
30 does not exceed the rate provided by Chapter 3, Acts of  
31 the 61st Legislature, Regular Session, 1969, as  
32 amended (Article 717k-2, Vernon's Texas Civil  
33 Statutes). The revised law omits the reference  
34 because the maximum interest rate noted in Article  
35 717k-2 was codified in 1999 as Section 1204.006,  
36 Government Code, and applies to the district under  
37 Section 1204.001, Government Code. The omitted law  
38 reads:

1 (c) [Bonds of the district] . . . may  
2 bear interest at a rate or rates not to  
3 exceed that prescribed by Section 2,  
4 Chapter 3, Acts of the 61st Legislature,  
5 Regular Session, 1969, as amended (Article  
6 717k-2, Vernon's Texas Civil  
7 Statutes). . . .

8 (3) Section 9(c), Chapter 658, Acts of the 64th  
9 Legislature, Regular Session, 1975, provides that the  
10 district bonds are subject to the law governing  
11 counties that relates to bond approval by the attorney  
12 general and registration of the bonds by the  
13 comptroller. Section 9(c) also provides that after  
14 approval and registration the bonds are "incontestable  
15 for any cause." The revised law omits those provisions  
16 as superseded by Chapter 1202, Government Code  
17 (enacted as Article 3, Chapter 53, Acts of the 70th  
18 Legislature, 2nd Called Session, 1987). Section  
19 1202.003(a), Government Code, requires bonds to be  
20 submitted to the attorney general. Section  
21 1202.003(b), Government Code, provides for approval of  
22 the bonds by the attorney general and requires the  
23 attorney general to submit the approved bonds to the  
24 comptroller for registration. Section 1202.005,  
25 Government Code, requires registration of the bonds by  
26 the comptroller. Section 1202.006, Government Code,  
27 provides that after approval and registration the  
28 bonds are incontestable and binding obligations.  
29 Chapter 1202, Government Code, applies to bonds issued  
30 under this chapter by application of Section 1202.001,  
31 Government Code. The omitted law reads:

32 (c) . . . [Bonds] . . . shall be  
33 subject to the same requirements in the  
34 matter of approval by the attorney general  
35 and registration by the comptroller as are  
36 by law provided for approval and  
37 registration of bonds issued by counties.  
38 Upon the approval of such bonds by the  
39 attorney general and registration by the  
40 comptroller, the same shall be  
41 incontestable for any cause.

1 Revised Law

2 Sec. 1110.208. BONDS EXEMPT FROM TAXATION. The following  
3 are exempt from taxation by this state or a political subdivision of  
4 this state:

- 5 (1) any bonds issued by the district;  
6 (2) the transfer and issuance of the bonds; and  
7 (3) any profits made in the sale of the bonds. (Acts  
8 64th Leg., R.S., Ch. 658, Sec. 21 (part).)

9 Source Law

10 Sec. 21. . . . any bonds issued by it and their  
11 transfer and the issuance therefrom, including any  
12 profits made in the sale thereof, shall at all times be  
13 free from taxation by the state or any municipality or  
14 political subdivision thereof.

15 Revisor's Note  
16 (End of Subchapter)

17 (1) Section 14, Chapter 658, Acts of the 64th  
18 Legislature, Regular Session, 1975, provides that  
19 district bonds are legal and authorized investments  
20 for certain entities. The revised law omits the  
21 provision as unnecessary. As to several of the  
22 entities listed, Section 14 has been superseded and  
23 impliedly repealed. Investments in securities by  
24 banks are regulated by Section 34.101, Finance Code  
25 (enacted in 1995 as Section 5.101, Texas Banking Act  
26 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
27 Investments in securities by savings banks are  
28 regulated by Section 93.001(c)(10), Finance Code  
29 (enacted in 1993 as Section 7.15(10), Texas Savings  
30 Bank Act (Article 489e, Vernon's Texas Civil  
31 Statutes)). Investments in securities by trust  
32 companies are regulated by Section 184.101, Finance  
33 Code (enacted in 1997 as Section 5.101, Texas Trust  
34 Company Act (Article 342a-5.101, Vernon's Texas Civil  
35 Statutes)). Investments in securities by building and  
36 loan associations (now called savings and loan  
37 associations) are regulated by Sections 63.002 and

1 64.001, Finance Code. As to the remaining entities  
2 listed, Section 14 is superseded by Section 1201.041,  
3 Government Code (enacted as Section 9, Bond Procedures  
4 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
5 Statutes)). Section 1201.041, Government Code,  
6 applies to district bonds by application of Section  
7 1201.002, Government Code. The revised law omits the  
8 reference to public funds of this state because it has  
9 been superseded by Section 404.024, Government Code  
10 (enacted in 1985 as Section 2.014, Treasury Act  
11 (Article 4393-1, Vernon's Texas Civil Statutes), and  
12 last amended in 2007), which governs the investment of  
13 state funds. Section 404.024(b)(10), Government Code,  
14 authorizes the investment of state funds in  
15 obligations of political subdivisions, including  
16 hospital districts. The revised law omits the  
17 reference to public funds of political subdivisions or  
18 agencies of the state because it has been superseded by  
19 Chapter 2256, Government Code (enacted in 1987 as the  
20 Public Funds Investment Act of 1987 (Article 842a-2,  
21 Vernon's Texas Civil Statutes)), which governs the  
22 investment of local funds. The omitted law reads:

23           Sec. 14. All bonds issued hereunder  
24           and indebtedness assumed by the district  
25           shall be and are hereby declared to be legal  
26           and authorized investments of banks,  
27           savings banks, trust companies, building  
28           and loan associations, savings and loan  
29           associations, insurance companies,  
30           trustees, and sinking funds of cities,  
31           towns, villages, counties, school  
32           districts, or other political subdivisions  
33           of the State of Texas, and for all public  
34           funds of the State of Texas or its agencies  
35           including the state permanent school  
36           fund. . . .

37           (2) Section 14, Chapter 658, Acts of the 64th  
38           Legislature, Regular Session, 1975, effectively  
39           provides that district bonds may secure deposits of  
40           public funds of the state or public agencies. The  
41           revised law omits the provisions relating to deposits

1 of state funds by the comptroller as impliedly  
2 repealed by Section 404.0221, Government Code (enacted  
3 in 1995), which lists eligible collateral for deposits  
4 of state funds by the comptroller. As to deposits of  
5 other funds, the provision duplicates Chapter 2257,  
6 Government Code, which governs eligible collateral for  
7 deposits of funds of other public agencies, including  
8 political subdivisions, and permits those deposits to  
9 be secured by obligations issued by hospital  
10 districts. The omitted law reads:

11           Sec. 14. . . . Such bonds and  
12           indebtedness shall be eligible to secure  
13           deposit of public funds of the State of  
14           Texas and public funds of cities, towns,  
15           villages, counties, school districts, or  
16           other political subdivisions or  
17           corporations of the State of Texas, and  
18           shall be lawful and sufficient security for  
19           said deposits to the extent of their value  
20           when accompanied by all unmatured coupons  
21           appurtenant thereto.

22           [Sections 1110.209-1110.250 reserved for expansion]

23                           SUBCHAPTER F. TAXES

24                                   Revised Law

25           Sec. 1110.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
26 shall impose a tax on all property in the district subject to  
27 district taxation.

28           (b) The board shall impose the tax for the benefit of the  
29 district to:

30                   (1) pay the interest on and create a sinking fund for  
31 bonds and other obligations issued or assumed by the district for  
32 hospital purposes as provided by this chapter;

33                   (2) pay indebtedness incurred or assumed by the  
34 district;

35                   (3) provide for the operation and maintenance of the  
36 district and hospital system; and

37                   (4) make improvements and additions to the hospital  
38 system. (Acts 64th Leg., R.S., Ch. 658, Secs. 5 (part), 13 (part).)



1 omitted law reads:

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

10 Revised Law

11 Sec. 1110.252. TAX RATE. (a) The board may impose the tax  
12 at a rate not to exceed 30 cents on each \$100 valuation of all  
13 taxable property in the district.

14 (b) In setting the tax rate, the board shall consider the  
15 income of the district from sources other than taxation. (Acts 64th  
16 Leg., R.S., Ch. 658, Secs. 5 (part), 13 (part).)

17 Source Law

18 Sec. 5. . . . a tax of not to exceed 30 cents on  
19 the \$100 valuation of all taxable property within the  
20 hospital district, . . . .

21 Sec. 13. [The board of directors shall annually  
22 levy a tax] of not to exceed the amount hereinabove  
23 permitted . . . . In setting such tax rate the board  
24 shall take into consideration the income of the  
25 district from sources other than taxation. . . .

26 Revisor's Note

27 Section 13, Chapter 658, Acts of the 64th  
28 Legislature, Regular Session, 1975, requires the board  
29 to levy the tax and to certify the tax rate to the tax  
30 assessor-collector. The revised law omits that  
31 provision because Section 26.05(a), Tax Code, requires  
32 the governing body of a taxing unit to adopt a tax rate  
33 for the current tax year and to notify the tax assessor  
34 for the taxing unit of that rate. The omitted law  
35 reads:

36 Sec. 13. . . . Upon determination  
37 of the amount of tax required to be levied,  
38 the board shall make such levy and certify  
39 the same to the tax assessor-collector of  
40 said district.

41 Revisor's Note  
42 (End of Chapter)

43 (1) Sections 2 and 19, Chapter 658, Acts of the

1 64th Legislature, Regular Session, 1975, provide for  
2 the transfer of certain land, buildings, improvements,  
3 equipment, supplies, choses in action, funds, and  
4 taxes to the district after the district is created and  
5 provide for the assumption of debt by the district on  
6 creation. The revised law omits the provisions as  
7 executed. The omitted law reads:

8           Sec. 2. The district herein  
9 authorized to be created shall take over,  
10 and there shall be transferred to it, title  
11 to all lands, buildings, improvements,  
12 equipment, and supplies, and choses in  
13 action in anywise pertaining to the  
14 hospital or hospital system owned by Val  
15 Verde County, and thereafter . . . . Such  
16 district shall assume all outstanding bonds  
17 and other obligations and indebtedness  
18 incurred by Val Verde County for hospital  
19 purposes prior to the creation of said  
20 district.

21           Sec. 19. . . . When the district is  
22 created and established, the county and all  
23 towns and cities located therein shall  
24 convey and transfer to the district title to  
25 all lands, buildings, improvements, and  
26 equipment in anywise pertaining to a  
27 hospital or hospital system which may be  
28 jointly or separately owned by the county or  
29 any city or town within said district.  
30 Operating funds and reserves for operating  
31 expenses which are on hand and funds which  
32 have been budgeted for hospital purposes by  
33 the county or any city or town therein for  
34 the remainder of the fiscal year in which  
35 the district is established shall likewise  
36 be transferred to said district, as shall  
37 taxes theretofore levied for hospital  
38 purposes for the current year and all  
39 sinking funds established for payment of  
40 indebtedness assumed by the district.

41           (2) Section 22, Chapter 658, Acts of the 64th  
42 Legislature, Regular Session, 1975, provides for  
43 separate voting by persons who own property and  
44 persons who do not own property if voting by only  
45 persons who own property is determined to be illegal.  
46 The revised law omits that provision because in Hill v.  
47 Stone, 421 U.S. 289 (1975), the U.S. Supreme Court  
48 determined that requiring a dual box election  
49 procedure is an unconstitutional denial of equal  
50 protection. The omitted law reads:

1           Sec. 22. The legislature hereby  
2 recognizes that there is some confusion as  
3 to the proper qualification of electors in  
4 the light of recent court decisions. It is  
5 the intention of this Act to provide a  
6 procedure for the creation of the said  
7 hospital district and to allow such  
8 district, when created, to issue bonds  
9 payable from taxation, but that in each  
10 instance the authority shall be predicated  
11 upon the expression of the will of the  
12 majority of those who cast valid ballots at  
13 an election called for the purpose. Should  
14 the person or body calling an election  
15 determine that all qualified electors,  
16 including those who own taxable property  
17 which has been duly rendered for taxation,  
18 should be permitted to vote at an election  
19 (by reason of the aforesaid court  
20 decisions), nothing herein shall be  
21 construed as a limitation upon the power to  
22 call and hold an election, provided  
23 provision is made for the voting,  
24 tabulating, and counting of the ballots of  
25 the resident qualified property taxpaying  
26 electors who own taxable property which has  
27 been duly rendered for taxation separately  
28 from those who are qualified electors, and  
29 in any election so called a majority vote of  
30 the resident qualified property taxpaying  
31 voters who own taxable property which has  
32 been duly rendered for taxation and a  
33 majority vote of the qualified electors,  
34 including those who own taxable property  
35 which has been duly rendered for taxation,  
36 shall be required to sustain the  
37 proposition.

38           (3) Section 23, Chapter 658, Acts of the 64th  
39 Legislature, Regular Session, 1975, provides that the  
40 act is severable. The revised law omits that provision  
41 because the same result is produced by application of  
42 Section 311.032, Government Code (Code Construction  
43 Act), which provides that a provision of a statute is  
44 severable from each other provision of the statute  
45 that can be given effect. The omitted law reads:

46           Sec. 23. . . . If any provision of  
47 this Act should be invalid, such fact shall  
48 not affect the authorization for the  
49 creation of the district or the validity of  
50 any other provisions of this Act, and the  
51 legislature hereby declares that it would  
52 have created the district and enacted the  
53 valid provisions of this Act  
54 notwithstanding the invalidity of any other  
55 provision or provisions hereof.

56           (4) Section 24, Chapter 658, Acts of the 64th  
57 Legislature, Regular Session, 1975, states that public

1 notice of the enactment of the statute was provided in  
 2 a manner that satisfies the requirements of the Texas  
 3 Constitution. The revised law omits that section as  
 4 executed. The omitted law reads:

5           Sec. 24. Proof of publication of the  
 6 notice required in the enactment hereof  
 7 under the provisions of Article IX, Section  
 8 9, of the Texas Constitution, has been made  
 9 in the manner and form provided by law  
 10 pertaining to the enactment of local and  
 11 special laws, and such notice is hereby  
 12 found and declared proper and sufficient to  
 13 satisfy such requirement.

14           CHAPTER 1112. WEST COKE COUNTY HOSPITAL DISTRICT

15                   SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 1112.001. DEFINITIONS . . . . . 327  
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7 CHAPTER 1112. WEST COKE COUNTY HOSPITAL DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Revised Law

10 Sec. 1112.001. DEFINITIONS. In this chapter:

- 11 (1) "Board" means the board of directors of the
- 12 district.
- 13 (2) "Director" means a member of the board.
- 14 (3) "District" means the West Coke County Hospital
- 15 District. (New.)

16 Revisor's Note

17 The definitions of "board," "director," and

18 "district" are added to the revised law for drafting

19 convenience and to eliminate frequent, unnecessary

20 repetition of the substance of the definitions.

21 Revised Law

22 Sec. 1112.002. AUTHORITY FOR CREATION. The West Coke

23 County Hospital District is created under the authority of Section

24 9, Article IX, Texas Constitution, and has the rights, powers, and

25 duties prescribed by this chapter. (Acts 58th Leg., R.S., Ch. 315,

26 Sec. 1 (part).)

27 Source Law

28 Sec. 1. Pursuant to authority granted by the

29 provisions of Section 9 of Article IX of the

30 Constitution of the State of Texas, West Coke County

31 Hospital District is hereby authorized to be created

32 and . . . possess such rights, powers and duties as are

33 hereinafter prescribed.

34 Revised Law

35 Sec. 1112.003. ESSENTIAL PUBLIC FUNCTION. The district

36 performs an essential public function in carrying out the purposes

37 of this chapter. (Acts 58th Leg., R.S., Ch. 315, Sec. 10 (part).)



1 the district, the imposition of an ad valorem tax, and  
2 the assumption of debt. Because the election has been  
3 held, the revised law omits those provisions as  
4 executed. The omitted law reads:

5 Sec. 3. The District shall not be  
6 created nor shall any tax therein be  
7 authorized unless and until such creation  
8 and such tax are approved by a majority of  
9 the qualified property taxpaying electors  
10 of the District voting at an election called  
11 for such purpose. Such election may be  
12 initiated by the Commissioners Court of  
13 Coke County upon its own motion and shall be  
14 called by said Commissioners Court upon  
15 presentation of a petition therefor signed  
16 by at least fifty (50) qualified property  
17 taxpaying electors of the District. Such  
18 election shall be held not less than twenty  
19 (20) nor more than thirty-five (35) days  
20 from the time such election is ordered by  
21 the Commissioners Court. The order calling  
22 the election shall specify the time and  
23 places of holding same, the form of ballot  
24 and the presiding judge for each voting  
25 place. . . . The failure of any such  
26 election shall not operate to prohibit the  
27 calling and holding of subsequent elections  
28 for the same purpose. At said election  
29 there shall be submitted to the qualified  
30 property taxpaying electors of said  
31 District the proposition of whether or not  
32 West Coke County Hospital District shall be  
33 created . . . a majority of the qualified  
34 property taxpaying electors of the District  
35 voting at said election in favor of the  
36 proposition shall be sufficient for its  
37 adoption. The ballots shall have printed  
38 thereon the following:

39 "FOR the creation of West Coke County  
40 Hospital District, the levy of a tax not to  
41 exceed twenty-five cents (25¢) on the One  
42 Hundred Dollars (\$100) valuation and the  
43 assumption by such District of all  
44 outstanding bonds and indebtedness  
45 heretofore issued and incurred by any city  
46 or town in said District for hospital  
47 purposes"; and

48 "AGAINST the creation of West Coke  
49 County Hospital District, the levy of a tax  
50 not to exceed twenty-five cents (25¢) on the  
51 One Hundred Dollars (\$100) valuation and  
52 the assumption by such District of all  
53 outstanding bonds and indebtedness  
54 heretofore issued and incurred by any city  
55 or town in said District for hospital  
56 purposes."

57 Sec. 4. Within ten (10) days after  
58 such election is held the Commissioners  
59 Court of said County shall convene and  
60 canvass the returns thereof and in the event  
61 such election results favorably to the  
62 proposition specified in Section 3 hereof,  
63 . . . .

1 [Sections 1112.007-1112.050 reserved for expansion]

2 SUBCHAPTER B. DISTRICT ADMINISTRATION

3 Revised Law

4 Sec. 1112.051. BOARD ELECTION; TERM. (a) The district is  
5 governed by a board of five directors elected from the district at  
6 large.

7 (b) Unless four-year terms are established under Section  
8 285.081, Health and Safety Code, directors serve staggered two-year  
9 terms, with the terms of two or three directors expiring each year,  
10 as appropriate. (Acts 58th Leg., R.S., Ch. 315, Sec. 4 (part).)

11 Source Law

12 Sec. 4. . . . such District shall be governed by  
13 a Board of Directors to consist of five (5)  
14 members, . . . five (5) Directors shall be elected.  
15 The three (3) Directors receiving the highest vote at  
16 such election shall serve for two (2) years and the  
17 other two (2) Directors shall serve for one (1) year.  
18 Thereafter all Directors shall serve for a period of  
19 two (2) years and until their successor has been duly  
20 elected or appointed and qualified. . . .

21 Revisor's Note

22 (1) Section 4, Chapter 315, Acts of the 58th  
23 Legislature, Regular Session, 1963, prescribes the  
24 procedures for appointing the initial board. The  
25 revised law omits the provision as executed. The  
26 omitted law reads:

27 Sec. 4. . . . Upon creation of the  
28 District as above provided the  
29 Commissioners Court shall appoint five (5)  
30 persons as Directors to serve until the  
31 first Saturday in April of the year  
32 succeeding the year of the District's  
33 creation, at which time . . . .

34 (2) Section 4, Chapter 315, Acts of the 58th  
35 Legislature, Regular Session, 1963, prescribes the  
36 terms of the initial directors and the terms of the  
37 directors elected at the expiration of the terms of the  
38 initial directors. In doing so, the provision  
39 establishes staggered two-year terms for the  
40 directors. The revised law omits the specific  
41 provision relating to the terms of those directors as

1           executed but codifies the provision that establishes  
2           staggered two-year terms.

3           (3) Section 4, Chapter 315, Acts of the 58th  
4           Legislature, Regular Session, 1963, provides that  
5           directors serve two-year terms. Section 285.081,  
6           Health and Safety Code, applicable to this district,  
7           provides a mechanism by which the governing board of a  
8           hospital district, on its own motion, may order that  
9           directors are to be elected in even-numbered years to  
10          serve staggered four-year terms. The revised law is  
11          drafted accordingly and adds a reference to Section  
12          285.081, Health and Safety Code, for the convenience  
13          of the reader.

14          (4) Section 4, Chapter 315, Acts of the 58th  
15          Legislature, Regular Session, 1963, provides that the  
16          directors serve until their successors are "duly  
17          elected or appointed and qualified." The revised law  
18          omits that provision because it duplicates Section 17,  
19          Article XVI, Texas Constitution, which provides that  
20          an officer in this state is to continue to perform the  
21          officer's official duties until a successor has  
22          qualified.

23          (5) Section 4, Chapter 315, Acts of the 58th  
24          Legislature, Regular Session, 1963, provides for the  
25          eligibility of voters to vote in a directors' election.  
26          The revised law omits that provision because Chapter  
27          11, Election Code, governs eligibility to vote in an  
28          election in this state and allows only qualified  
29          voters who are residents of the territory covered by  
30          the election to vote in an election. The omitted law  
31          reads:

32                    Sec. 4. . . . All qualified electors  
33                    residing in said District shall be eligible  
34                    to vote for Directors. . . .

35          (6) Section 4, Chapter 315, Acts of the 58th

1 Legislature, Regular Session, 1963, provides that  
2 directors' elections are held on the first Saturday in  
3 April each year. The revised law omits that provision  
4 as impliedly repealed by a later amendment to Section  
5 41.001, Election Code. Chapter 14, Acts of the 69th  
6 Legislature, 3rd Called Session, 1986, amended Section  
7 41.001, Election Code, to prescribe certain uniform  
8 election dates. Section 37 of that act required a  
9 political subdivision that held its general election  
10 of officers on the first Saturday in April to hold that  
11 election on a uniform election date in May or to choose  
12 a different uniform election day on which to hold the  
13 election. The omitted law reads:

14                   Sec. 4. . . . The regular election of  
15                   Directors shall be held on the first  
16                   Saturday in April in each year and . . . .

17                   Revised Law

18                   Sec. 1112.052. NOTICE OF ELECTION. At least 10 days before  
19 the date of a directors' election, notice of the election must be  
20 published one time in a newspaper of general circulation in Coke  
21 County. (Acts 58th Leg., R.S., Ch. 315, Sec. 4 (part).)

22                   Source Law

23                   Sec. 4. . . . notice of such election shall be  
24 published in a newspaper of general circulation in  
25 Coke County one time at least ten (10) days prior to  
26 the date of election. . . .

27                   Revised Law

28                   Sec. 1112.053. BALLOT PETITION. A person who wants to have  
29 the person's name printed on the ballot as a candidate for director  
30 must file a petition requesting that action. The petition must be:

- 31                   (1) signed by at least 25 registered voters; and  
32                   (2) filed by the deadline imposed by Section 144.005,

33 Election Code. (Acts 58th Leg., R.S., Ch. 315, Sec. 4 (part).)

34                   Source Law

35                   Sec. 4. . . . Any person desiring to have his  
36 name printed on the ballot as a candidate for Director  
37 shall file a petition signed by not less than  
38 twenty-five (25) qualified voters to such effect, at  
39 least twenty-five (25) days prior to the election.

1 Revisor's Note

2 (1) Section 4, Chapter 315, Acts of the 58th  
3 Legislature, Regular Session, 1963, refers to a  
4 petition signed by "qualified voters." The revised  
5 law substitutes "registered voters" for the quoted  
6 language because in the context of eligibility to sign  
7 a petition, Section 277.0021, Election Code, provides  
8 that "qualified voter" means "registered voter."

9 (2) Section 4, Chapter 315, Acts of the 58th  
10 Legislature, Regular Session, 1963, requires a  
11 candidate for director to file a petition signed by at  
12 least 25 voters at least 25 days before the date of the  
13 election to have the candidate's name appear on the  
14 ballot. Under Section 144.003, Election Code  
15 (applicable to the district under Section 144.001,  
16 Election Code), a candidate for office must submit an  
17 application for a place on the ballot. The application  
18 must be filed by the deadline imposed by Section  
19 144.005, Election Code, which is either 71 or 78 days  
20 before the date of the election, depending on when the  
21 election is held. Because the petition serves as an  
22 additional requirement for a candidate to appear on  
23 the ballot, the revised law conforms the date the  
24 petition must be filed to the date the application must  
25 be filed.

26 Revised Law

27 Sec. 1112.054. QUALIFICATIONS FOR OFFICE. A person must at  
28 the time of election or appointment as director:

- 29 (1) be a resident of the district;  
30 (2) own land subject to taxation in the district; and  
31 (3) be at least 18 years of age. (Acts 58th Leg.,  
32 R.S., Ch. 315, Sec. 4 (part).)

33 Source Law

34 Sec. 4. . . . Each such Director must at the  
35 time of his election or appointment hereunder, be a

1 resident of the District, own land subject to taxation  
2 therein and be more than twenty-one (21) years of age.  
3 . . .

4 Revisor's Note

5 Section 4, Chapter 315, Acts of the 58th  
6 Legislature, Regular Session, 1963, states that a  
7 person must be "more than twenty-one (21) years of age"  
8 at the time of the election or appointment as a  
9 director. The revised law substitutes "at least 18  
10 years of age" for the quoted language because Section  
11 129.001, Civil Practice and Remedies Code, establishes  
12 18 years as the age of majority in this state. Section  
13 129.002, Civil Practice and Remedies Code, provides  
14 that a law adopted before August 27, 1973, that extends  
15 a right, privilege, or obligation to an individual on  
16 the basis of a minimum age of 19, 20, or 21 years shall  
17 be interpreted as prescribing a minimum age of 18  
18 years. Section 4 was enacted in 1963 and has not been  
19 amended.

20 Revised Law

21 Sec. 1112.055. FILING OF OATH. The constitutional oath of  
22 office executed by a director must be filed in the district's  
23 office. (Acts 58th Leg., R.S., Ch. 315, Sec. 4 (part).)

24 Source Law

25 Sec. 4. . . . [Each member of the Board of  
26 Directors shall qualify for his office by executing]  
27 the Constitutional oath of office to be filed in the  
28 office of the District. . . .

29 Revisor's Note

30 Section 4, Chapter 315, Acts of the 58th  
31 Legislature, Regular Session, 1963, requires each  
32 director to take the constitutional oath of office.  
33 The revised law omits that provision because Section  
34 1, Article XVI, Texas Constitution, requires an  
35 officer of this state to take the constitutional oath  
36 (or affirmation) before assuming office. The omitted  
37 law reads:

1           Sec. 4. . . . Each member of the  
2 Board of Directors shall qualify for his  
3 office by executing [the Constitutional  
4 oath of office] . . . .

5                           Revised Law

6           Sec. 1112.056. BOARD VACANCY. (a) If a vacancy occurs in  
7 the office of director, the remaining directors shall appoint a  
8 director for the unexpired term.

9           (b) If the number of directors is reduced to fewer than  
10 three for any reason, the remaining directors shall immediately  
11 call a special election to fill the vacancies. If the remaining  
12 directors do not call the election, the county judge of Coke County  
13 may fill the vacancies by appointment. (Acts 58th Leg., R.S., Ch.  
14 315, Sec. 4 (part).)

15                           Source Law

16           Sec. 4. . . . All vacancies in the office of  
17 Directors shall be filled for the unexpired term by  
18 appointment by the remainder of the Board, however in  
19 event the number of Directors shall be reduced at any  
20 one time to less than three (3) for any reason, the  
21 remaining Directors shall immediately call a special  
22 election to fill said vacancies and upon failure to do  
23 so such vacancies may be filled by appointment of the  
24 County Judge of Coke County. . . .

25                           Revised Law

26           Sec. 1112.057. OFFICERS. The board shall elect from among  
27 its members a president, a vice president, and a secretary. (Acts  
28 58th Leg., R.S., Ch. 315, Sec. 4 (part).)

29                           Source Law

30           Sec. 4. . . . The Board of Directors shall  
31 organize by electing one of their number as President,  
32 one as Vice President and one as Secretary. . . .

33                           Revised Law

34           Sec. 1112.058. COMPENSATION. A director serves without  
35 compensation. (Acts 58th Leg., R.S., Ch. 315, Sec. 4 (part).)

36                           Source Law

37           Sec. 4. . . . [Board of Directors to consist of  
38 five (5) members,] who shall serve without pay. . . .

39                           Revised Law

40           Sec. 1112.059. VOTING REQUIREMENT. A concurrence of three  
41 directors is sufficient in any matter relating to district  
42 business. (Acts 58th Leg., R.S., Ch. 315, Sec. 4 (part).)



1 and shall receive such compensation as may be fixed by  
2 the Board. The Administrator or Manager shall, upon  
3 assuming his duties, execute a bond payable to the  
4 Hospital District in an amount to be set by the Board  
5 of Directors, in no event less than Ten Thousand  
6 Dollars (\$10,000), conditioned that he shall perform  
7 the duties required of him and containing such other  
8 conditions as the Board may require. . . .

9 Revisor's Note

10 Section 5, Chapter 315, Acts of the 58th  
11 Legislature, Regular Session, 1963, provides that the  
12 board shall appoint a person as the "Administrator or  
13 Manager" of the district and may appoint an "Assistant  
14 to the Administrator or Manager." Throughout this  
15 chapter, the revised law omits "manager" because, in  
16 context, "manager" is included in the meaning of  
17 "administrator."

18 Revised Law

19 Sec. 1112.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
20 Subject to any limitations prescribed by the board, the district  
21 administrator shall:

- 22 (1) supervise the work and activities of the district;  
23 and  
24 (2) direct the affairs of the district. (Acts 58th  
25 Leg., R.S., Ch. 315, Sec. 5 (part).)

26 Source Law

27 Sec. 5. . . . The Administrator or Manager  
28 shall supervise all the work and activities of the  
29 District and shall have general direction of the  
30 affairs of the District subject to such limitations as  
31 may be prescribed by the Board. . . .

32 Revised Law

33 Sec. 1112.062. EMPLOYEES. The board may employ any  
34 doctors, technicians, nurses, and other employees as considered  
35 necessary for the efficient operation of the district or may  
36 provide that the district administrator has the authority to employ  
37 those persons. (Acts 58th Leg., R.S., Ch. 315, Sec. 5 (part).)

38 Source Law

39 Sec. 5. . . . The Board of Directors shall have  
40 the authority to employ such doctors, technicians,  
41 nurses and other employees of every kind and character  
42 as may be deemed necessary for the efficient operation

1 of the District or may provide that the Administrator  
2 or Manager shall have the authority to employ such  
3 persons. . . .

4 Revised Law

5 Sec. 1112.063. RETIREMENT PROGRAM. The board may enter  
6 into any contract or agreement with this state or the federal  
7 government as required to establish or continue a retirement  
8 program for the benefit of the district's employees. (Acts 58th  
9 Leg., R.S., Ch. 315, Sec. 5 (part).)

10 Source Law

11 Sec. 5. . . . The Board of Directors is also  
12 authorized to enter into such contracts or agreements  
13 with the State of Texas or the Federal Government as  
14 may be required to establish or continue a retirement  
15 program for the benefit of the District's employees.

16 Revised Law

17 Sec. 1112.064. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

18 (a) The board shall:

19 (1) keep an accurate account of board meetings and  
20 proceedings; and

21 (2) maintain at the district's principal office all  
22 district records and accounts, including contracts, notices,  
23 duplicate vouchers, and duplicate receipts.

24 (b) The information described by Subsection (a) shall be  
25 open to public inspection at the district's principal office at all  
26 reasonable times. (Acts 58th Leg., R.S., Ch. 315, Sec. 4 (part).)

27 Source Law

28 Sec. 4. . . . The Board shall require the  
29 keeping of a true account of all of their meetings and  
30 proceedings and shall preserve all contracts, records,  
31 notices, duplicate vouchers, duplicate receipts and  
32 all accounts and records of the District at its  
33 principal office where same shall be open to public  
34 inspection at all reasonable times. . . .

35 [Sections 1112.065-1112.100 reserved for expansion]

36 SUBCHAPTER C. POWERS AND DUTIES

37 Revised Law

38 Sec. 1112.101. DISTRICT RESPONSIBILITY. The district has  
39 full responsibility for:

40 (1) operating all hospital facilities for providing  
41 medical and hospital care of indigent persons; and

1 (2) providing medical and hospital care for the  
2 district's needy inhabitants. (Acts 58th Leg., R.S., Ch. 315,  
3 Secs. 2 (part), 19 (part).)

4 Source Law

5 Sec. 2. . . . Such District shall assume full  
6 responsibility for providing medical and hospital care  
7 for its needy inhabitants and . . . .

8 Sec. 19. . . . the said West Coke County  
9 Hospital District shall assume full responsibility for  
10 the operation of all hospital facilities for the  
11 furnishing of medical and hospital care of indigent  
12 persons.

13 Revisor's Note

14 Sections 2 and 19, Chapter 315, Acts of the 58th  
15 Legislature, Regular Session, 1963, provide that the  
16 district "shall assume" full responsibility for  
17 providing medical and hospital care for the district's  
18 needy inhabitants and for the operation of hospital  
19 facilities for the indigent. The revised law  
20 substitutes "has" for the quoted language because the  
21 duty to assume the responsibility is executed.

22 Revised Law

23 Sec. 1112.102. RESTRICTION ON POLITICAL SUBDIVISION  
24 TAXATION AND DEBT. Coke County or another political subdivision,  
25 other than the district, may not impose a tax or issue bonds or  
26 other obligations for hospital purposes for medical treatment of  
27 indigent persons in the district. (Acts 58th Leg., R.S., Ch. 315,  
28 Sec. 19 (part).)

29 Source Law

30 Sec. 19. After creation of West Coke County  
31 Hospital District neither Coke County nor any other  
32 municipality or political subdivision shall  
33 thereafter issue bonds or other evidences of  
34 indebtedness or levy taxes for hospital purposes for  
35 medical treatment of indigent persons within said  
36 District and . . . .

37 Revisor's Note

38 (1) Section 19, Chapter 315, Acts of the 58th  
39 Legislature, Regular Session, 1963, provides that  
40 "[a]fter creation of West Coke County Hospital

1 District," certain political subdivisions may not  
2 issue certain bonds or levy certain taxes. The revised  
3 law omits the quoted language as executed. In  
4 addition, throughout this chapter, the revised law  
5 substitutes "impose" for "levy" because the terms are  
6 synonymous and "impose" is more commonly used.

7 (2) Section 19, Chapter 315, Acts of the 58th  
8 Legislature, Regular Session, 1963, refers to a  
9 "municipality or political subdivision." Throughout  
10 this chapter, the revised law omits references to  
11 "municipality" when used in conjunction with  
12 "political subdivision" because "municipality" is  
13 included in the meaning of "political subdivision."

14 (3) Section 19, Chapter 315, Acts of the 58th  
15 Legislature, Regular Session, 1963, provides that Coke  
16 County or any other political subdivision may not  
17 issue bonds or other "evidences of indebtedness" for  
18 hospital purposes for medical treatment of indigent  
19 persons in the district. The revised law substitutes  
20 "obligations" for "evidences of indebtedness" because  
21 in context the terms are synonymous, and "obligations"  
22 is more commonly used.

23 (4) Section 9, Chapter 315, Acts of the 58th  
24 Legislature, Regular Session, 1963, prohibits Coke  
25 County or a city or town located in Coke County from  
26 selling bonds that were authorized to provide hospital  
27 facilities but were not sold on the date the district  
28 was created. The revised law omits that provision as  
29 executed. The omitted law reads:

30 Sec. 9. . . . If Coke County or any  
31 city or town therein have voted bonds to  
32 provide hospital facilities but such bonds  
33 have not been sold as of the date of  
34 creation of the District, the authority for  
35 the issuance and sale of such bonds shall  
36 thereupon be cancelled and they shall not be  
37 issued or sold after the creation of the  
38 District.

1 Revised Law

2 Sec. 1112.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
3 The board shall manage, control, and administer the district's  
4 hospitals and hospital system. (Acts 58th Leg., R.S., Ch. 315, Sec.  
5 5 (part).)

6 Source Law

7 Sec. 5. The Board of Directors shall manage,  
8 control and administer the hospitals and hospital  
9 system of the District. . . .

10 Revised Law

11 Sec. 1112.104. HOSPITAL SYSTEM. (a) The district shall  
12 provide for:

13 (1) the establishment of a hospital system by:

14 (A) purchasing, constructing, acquiring,  
15 repairing, or renovating buildings and equipment; and

16 (B) equipping the buildings; and

17 (2) the administration of the hospital system for  
18 hospital purposes.

19 (b) The board shall determine the type, number, and location  
20 of buildings required to maintain an adequate hospital system.

21 (c) The hospital system may include:

22 (1) outpatient clinics; and

23 (2) any other facilities the board considers necessary  
24 for hospital care. (Acts 58th Leg., R.S., Ch. 315, Secs. 2 (part),  
25 7A.)

26 Source Law

27 Sec. 2. The District . . . shall provide for the  
28 establishment of a hospital system by the purchase,  
29 construction, acquisition, repair or renovation of  
30 buildings and equipment and the equipping of same and  
31 the administration thereof for hospital purposes.  
32 . . .

33 Sec. 7A. The board of directors has complete  
34 discretion as to the type, number, and location of  
35 buildings necessary to establish and maintain an  
36 adequate hospital system. The hospital system may  
37 include outpatient clinics and any other facilities  
38 which the board deems necessary for hospital care.

39 Revisor's Note

40 Section 7A, Chapter 315, Acts of the 58th

1 Legislature, Regular Session, 1963, provides that the  
2 board shall determine the type, number, and location  
3 of buildings to "establish" an adequate hospital  
4 system. The revised law omits the reference to  
5 establishing an adequate hospital system as executed.

6 Revised Law

7 Sec. 1112.105. RULES. The board may adopt rules for the  
8 operation of the district and as required to administer this  
9 chapter. (Acts 58th Leg., R.S., Ch. 315, Secs. 5 (part), 11  
10 (part).)

11 Source Law

12 Sec. 5. . . . The District through its Board of  
13 Directors shall have the power and authority . . . to  
14 promulgate rules and regulations for the operation of  
15 the District. . . .

16 Sec. 11. The Board of Directors of such District  
17 shall have the power . . . to make such rules and  
18 regulations as may be required to carry out the  
19 provisions of this Act.

20 Revisor's Note

21 Sections 5 and 11, Chapter 315, Acts of the 58th  
22 Legislature, Regular Session, 1963, provide that the  
23 board may "promulgate rules and regulations" for the  
24 operation of the district and "make such rules and  
25 regulations" to carry out the act. The revised law  
26 substitutes "adopt" for "promulgate" and "make"  
27 because the terms are synonymous and the former is more  
28 commonly used. The revised law also omits the  
29 reference to "regulations" because under Section  
30 311.005(5), Government Code (Code Construction Act), a  
31 rule is defined to include a regulation.

32 Revised Law

33 Sec. 1112.106. PURCHASING AND ACCOUNTING. The board may  
34 prescribe:

35 (1) the method and manner of making purchases and  
36 expenditures by and for the district; and

37 (2) all accounting and control procedures. (Acts 58th

1 Leg., R.S., Ch. 315, Sec. 11 (part).)

2 Source Law

3 Sec. 11. The Board of Directors of such District  
4 shall have the power to prescribe the method and manner  
5 of making purchases and expenditures, by and for such  
6 Hospital District, and also shall be authorized to  
7 prescribe all accounting and control procedures and  
8 . . . .

9 Revised Law

10 Sec. 1112.107. EMINENT DOMAIN. (a) The district may  
11 exercise the power of eminent domain to acquire a fee simple or  
12 other interest in any type of property located in district  
13 territory if the interest is necessary or convenient to a power,  
14 right, or privilege conferred by this chapter.

15 (b) The district must exercise the power of eminent domain  
16 in the manner provided by Chapter 21, Property Code. (Acts 58th  
17 Leg., R.S., Ch. 315, Sec. 14.)

18 Source Law

19 Sec. 14. West Coke County Hospital District  
20 created hereunder shall have the right and power of  
21 eminent domain for the purpose of acquiring by  
22 condemnation any and all property of any kind and  
23 character in fee simple, or any lesser interest  
24 therein, within the boundaries of the District,  
25 necessary or convenient to the powers, rights and  
26 privileges conferred by this Act, in the manner  
27 provided by General Law with respect to condemnation.

28 Revisor's Note

29 (1) Section 14, Chapter 315, Acts of the 58th  
30 Legislature, Regular Session, 1963, provides that the  
31 district has the "right and power of eminent domain for  
32 the purpose of acquiring [property] by condemnation."  
33 The revised law substitutes for the quoted phrase "may  
34 exercise the power of eminent domain to acquire  
35 [property]" because the phrases have the same meaning  
36 and the latter phrase is consistent with modern usage  
37 in law relating to eminent domain.

38 (2) Section 14, Chapter 315, Acts of the 58th  
39 Legislature, Regular Session, 1963, provides that the  
40 district must exercise the power of eminent domain in  
41 the manner provided by "General Law with respect to

1 condemnation." The revised law substitutes for the  
2 quoted language a reference to Chapter 21, Property  
3 Code, because that is the general law governing  
4 eminent domain for governmental entities.

5 Revised Law

6 Sec. 1112.108. GIFTS AND ENDOWMENTS. The board may accept  
7 for the district a gift or endowment to be held in trust and  
8 administered by the board for the purposes and under the  
9 directions, limitations, or other provisions prescribed in writing  
10 by the donor that are not inconsistent with the proper management  
11 and objectives of the district. (Acts 58th Leg., R.S., Ch. 315,  
12 Sec. 17.)

13 Source Law

14 Sec. 17. The Board of Directors of the Hospital  
15 District is authorized on behalf of such District to  
16 accept donations, gifts and endowments to be held in  
17 trust and administered by the Board of Directors for  
18 such purposes and under such directions, limitations,  
19 and provisions as may be prescribed in writing by the  
20 donor, not inconsistent with proper management and  
21 object of the Hospital District.

22 Revisor's Note

23 Section 17, Chapter 315, Acts of the 58th  
24 Legislature, Regular Session, 1963, refers to  
25 "donations" and "gifts." The revised law omits  
26 "donations" because "donations" is included in the  
27 meaning of "gifts."

28 Revised Law

29 Sec. 1112.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
30 CARE AND TREATMENT. The board may contract with:

31 (1) any county or municipality located outside the  
32 district for the care and treatment of a sick or injured person of  
33 that county or municipality; and

34 (2) this state or a federal agency for the treatment of  
35 a sick or injured person for whom this state or the federal  
36 government is responsible. (Acts 58th Leg., R.S., Ch. 315, Sec. 5  
37 (part).)



1 financial ability and may not exceed the actual per capita cost of  
2 maintenance.

3 (d) The district administrator may collect the amount from  
4 the patient's estate, or from those relatives legally liable for  
5 the patient's support, in the manner provided by law for the  
6 collection of expenses of the last illness of a deceased person.

7 (e) If there is a dispute as to the ability to pay, or doubt  
8 in the mind of the district administrator, the board shall hold a  
9 hearing and, after calling witnesses, shall:

10 (1) resolve the dispute or doubt; and

11 (2) issue any appropriate orders. (Acts 58th Leg.,  
12 R.S., Ch. 315, Sec. 16.)

13 Source Law

14 Sec. 16. Whenever a patient residing within the  
15 District has been admitted to the facilities thereof,  
16 the Administrator or Manager, shall cause inquiry to  
17 be made as to his circumstances and those of the  
18 relatives of such patient legally liable for his  
19 support. If he finds that such patient or said  
20 relatives are able to pay for his care and treatment,  
21 in whole or in part, an order shall be made directing  
22 such patient, or said relatives, to pay the Hospital  
23 District for the support of such patient a specified  
24 sum per week in proportion to their financial ability,  
25 but such sum shall not exceed the actual per capita  
26 cost of maintenance. The Administrator or Manager  
27 shall have power and authority to collect such sums  
28 from the estate of the patient or his relatives legally  
29 liable for his support in the manner provided by law  
30 for the collection of expenses in the last illness of a  
31 deceased person. If the Administrator or Manager  
32 finds that such patient or said relatives are not able  
33 to pay, either in whole or in part, for his care and  
34 treatment in such hospital, same shall become a charge  
35 upon the Hospital District as to the amount of the  
36 inability to pay. Should there be any dispute as to  
37 the ability to pay or doubt in the mind of the  
38 Administrator or Manager, the Board of Directors shall  
39 hear and determine same, after calling witnesses, and  
40 shall make such order or orders as may be proper.

41 Revised Law

42 Sec. 1112.111. AUTHORITY TO SUE AND BE SUED. The district,  
43 through the board, may sue and be sued. (Acts 58th Leg., R.S., Ch.  
44 315, Sec. 5 (part).)

45 Source Law

46 Sec. 5. . . . The District through its Board of  
47 Directors shall have the power and authority to sue and  
48 be sued and . . . .

1 [Sections 1112.112-1112.150 reserved for expansion]

2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3 Revised Law

4 Sec. 1112.151. BUDGET. (a) The district administrator  
5 shall prepare for approval by the board an annual budget that  
6 corresponds to the district's fiscal year.

7 (b) Not later than August 31 of each year, the board shall  
8 publish notice of a public hearing on the proposed budget. The  
9 notice must be published in a newspaper of general circulation in  
10 Coke County at least 10 days before the date of the hearing. (Acts  
11 58th Leg., R.S., Ch. 315, Secs. 6 (part), 18.)

12 Source Law

13 Sec. 6. . . . In addition the Administrator or  
14 Manager shall prepare an annual budget for approval by  
15 the Board of Directors of said District. . . .

16 Sec. 18. The Board of Directors of said Hospital  
17 District shall cause to be prepared an annual budget  
18 based upon the fiscal year of the Hospital District in  
19 accordance with the provisions of Section 6 hereof and  
20 prior to September 1st of each year shall give notice  
21 of the public hearing on the proposed budget. Such  
22 notice shall be published in a newspaper of general  
23 circulation in the County at least ten (10) days prior  
24 to the date set for the hearing.

25 Revisor's Note

26 Section 18, Chapter 315, Acts of the 58th  
27 Legislature, Regular Session, 1963, requires an annual  
28 budget to be prepared "in accordance with the  
29 provisions of Section 6 hereof." The revised law omits  
30 the quoted language because the provisions are  
31 applicable by their own terms.

32 Revised Law

33 Sec. 1112.152. FISCAL YEAR. The district operates on a  
34 fiscal year that begins on October 1 and ends on September 30.  
35 (Acts 58th Leg., R.S., Ch. 315, Sec. 6 (part).)

36 Source Law

37 Sec. 6. The District shall be operated on a  
38 fiscal year commencing on October 1st of each year and  
39 ending on September 30th of the succeeding year and  
40 . . . .

1 Revised Law

2 Sec. 1112.153. AUDIT. (a) The district shall have an audit  
3 made of the district's financial condition.

4 (b) The audit shall be open to inspection at all times at the  
5 district's principal office. (Acts 58th Leg., R.S., Ch. 315, Sec. 6  
6 (part).)

7 Source Law

8 Sec. 6. [The District] . . . it shall cause an  
9 audit to be made of the financial condition of said  
10 District which shall at all times be open to inspection  
11 at the principal office of the District. . . .

12 Revised Law

13 Sec. 1112.154. FINANCIAL REPORT. As soon as practicable  
14 after the close of each fiscal year, the district administrator  
15 shall prepare for the board:

16 (1) a complete sworn statement of all district money;  
17 and

18 (2) a complete account of the disbursements of that  
19 money. (Acts 58th Leg., R.S., Ch. 315, Sec. 6 (part).)

20 Source Law

21 Sec. 6. . . . As soon as practical after the  
22 close of each fiscal year the Administrator or Manager  
23 shall prepare for the Board a full sworn statement of  
24 all moneys belonging to the District and a full account  
25 of the disbursements of same.

26 Revised Law

27 Sec. 1112.155. DEPOSITORY. (a) The board shall select one  
28 or more banks in the district to serve as a depository for district  
29 money.

30 (b) All district money shall be immediately deposited on  
31 receipt with a depository bank, except that sufficient money must  
32 be remitted to an appropriate bank to pay the principal of and  
33 interest on the district's outstanding bonds or other obligations  
34 assumed by the district on or before the maturity date of the  
35 principal and interest.

36 (c) To the extent that money in a depository bank is not  
37 insured by the Federal Deposit Insurance Corporation, the money  
38 must be secured in the manner provided by law for the security of

1 county funds.

2 (d) Membership on the district's board of an officer or  
3 director of a bank does not disqualify the bank from being selected  
4 as a depository. (Acts 58th Leg., R.S., Ch. 315, Sec. 12.)

5 Source Law

6 Sec. 12. The Board of Directors of the District  
7 shall name one or more banks within the District to  
8 serve as depository for the funds of the District. All  
9 such funds shall, as derived and collected, be  
10 immediately deposited with such depository bank or  
11 banks except that sufficient funds shall be remitted  
12 to the bank or banks for the payment of principal of  
13 and interest on the outstanding bonds of the District  
14 or other obligations assumed by it and in time that  
15 such money may be received by said bank or banks of  
16 payment on or prior to the date of maturity of such  
17 principal and interest so to be paid. To the extent  
18 that funds in the depository bank or banks are not  
19 insured by the Federal Deposit Insurance Corporation,  
20 they shall be secured in the manner provided by law for  
21 security of county funds. Membership on the Board of  
22 Directors of an officer or director of a bank shall not  
23 disqualify such bank from being designated as  
24 depository.

25 Revisor's Note

26 Section 12, Chapter 315, Acts of the 58th  
27 Legislature, Regular Session, 1963, refers to money  
28 "derived and collected." The revised law substitutes  
29 "on receipt" for the quoted language because the terms  
30 are synonymous, and "on receipt" is more commonly  
31 used.

32 [Sections 1112.156-1112.200 reserved for expansion]

33 SUBCHAPTER E. BONDS

34 Revised Law

35 Sec. 1112.201. GENERAL OBLIGATION BONDS. (a) The board may  
36 issue and sell general obligation bonds in the name and on the faith  
37 and credit of the district for any purpose related to the purchase,  
38 construction, acquisition, repair, or renovation of buildings and  
39 improvements, and equipping buildings and improvements for a  
40 hospital and the hospital system, as determined by the board.

41 (b) The board shall issue the bonds in compliance with the  
42 applicable provisions of Subtitles A and C, Title 9, Government  
43 Code. (Acts 58th Leg., R.S., Ch. 315, Sec. 9 (part).)



1 an interest and sinking fund and to pay the principal of and  
2 interest on the bonds as the bonds mature.

3 (b) The tax required by this section, together with any  
4 other ad valorem tax the district imposes, may not in any year  
5 exceed 25 cents on each \$100 valuation of taxable property in the  
6 district. (Acts 58th Leg., R.S., Ch. 315, Sec. 9 (part).)

7 Source Law

8 Sec. 9. . . . At the time of the issuance of any  
9 such bonds a tax shall be levied by the Board  
10 sufficient to create an interest and sinking fund and  
11 to pay the interest on and principal of said bonds as  
12 same mature, providing such tax together with any  
13 other taxes levied for said District shall not exceed  
14 twenty-five cents (25¢) on each One Hundred Dollar  
15 valuation of taxable property in any one year. . . .

16 Revisor's Note

17 Section 9, Chapter 315, Acts of the 58th  
18 Legislature, Regular Session, 1963, requires the  
19 district to levy a tax to pay the principal of and  
20 interest on bonds. The revised law specifies that the  
21 tax is an "ad valorem" tax because it is clear from the  
22 source law that the tax is a property tax. Section  
23 1(b), Article VIII, Texas Constitution, requires all  
24 property that is taxed to be taxed in proportion to its  
25 value, and accordingly "ad valorem" tax is the term  
26 most commonly used in Texas law to refer to a tax on  
27 property.

28 Revised Law

29 Sec. 1112.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
30 district may issue general obligation bonds only if the bonds are  
31 authorized by a majority of the district voters voting at an  
32 election held for that purpose.

33 (b) The board shall call the election. The election must be  
34 held in accordance with Chapter 1251, Government Code.

35 (c) The bond election order must specify:

- 36 (1) the date of the election;
- 37 (2) the location of the polling places;
- 38 (3) the presiding election officers;

- 1 (4) the amount of the bonds to be authorized;  
2 (5) the maximum maturity of the bonds; and  
3 (6) the maximum interest rate of the bonds. (Acts 58th  
4 Leg., R.S., Ch. 315, Sec. 9 (part).)

5 Source Law

6 Sec. 9. . . . No bond shall be issued by such  
7 Hospital District, . . . until authorized by a  
8 majority of the qualified property taxpaying electors  
9 of the District voting at an election called for such  
10 purpose. Such election shall be called by the Board of  
11 Directors and held in accordance with the provisions  
12 of Chapter 1, Title 22 of the Revised Civil Statutes of  
13 Texas, as amended, and except as therein otherwise  
14 provided, shall be conducted in accordance with the  
15 General Laws of Texas pertaining to elections. . . .  
16 The election order shall specify the date of the  
17 election, the amount of bonds to be authorized, the  
18 maximum maturity thereof, the maximum rate of interest  
19 they are to bear, the place or places where the  
20 election shall be held and the presiding officer  
21 thereof. . . .

22 Revisor's Note

23 (1) Section 9, Chapter 315, Acts of the 58th  
24 Legislature, Regular Session, 1963, refers to a  
25 majority vote of the "qualified . . . electors of the  
26 District." The revised law omits "qualified" in this  
27 context for the reason stated in Revisor's Note (5) to  
28 Section 1112.051. The revised law substitutes "voter"  
29 for "elector" because "voter" is the term used in the  
30 Election Code.

31 (2) Section 9, Chapter 315, Acts of the 58th  
32 Legislature, Regular Session, 1963, refers to  
33 "property taxpaying" electors. The revised law omits  
34 the quoted language because in Hill v. Stone, 421 U.S.  
35 289 (1975), the United States Supreme Court determined  
36 that property ownership as a qualification for voting  
37 is an unconstitutional denial of equal protection.

38 (3) Section 9, Chapter 315, Acts of the 58th  
39 Legislature, Regular Session, 1963, provides that an  
40 election must be "held in accordance with the  
41 provisions of Chapter 1, Title 22 of the Revised Civil  
42 Statutes of Texas, as amended, and except as therein

1 otherwise provided, shall be conducted in accordance  
2 with the General Laws of Texas pertaining to  
3 elections." The election provisions of Chapter 1,  
4 Title 22, Revised Statutes, are codified as Chapter  
5 1251, Government Code, and the revised law is drafted  
6 accordingly. The revised law omits the reference to  
7 "except as therein otherwise provided" because an  
8 exception to the application of the Election Code in  
9 Chapter 1251, Government Code (the revision of the  
10 election provisions of Chapter 1, Title 22, Revised  
11 Statutes), would apply by its own terms. The revised  
12 law omits the reference to the "General Laws of Texas  
13 pertaining to elections" because Section 1.002,  
14 Election Code, provides that the Election Code applies  
15 to all elections held in this state.

16 (4) Section 9, Chapter 315, Acts of the 58th  
17 Legislature, Regular Session, 1963, requires the  
18 district to make provisions for defraying the costs of  
19 elections. The revised law omits that provision  
20 because it duplicates Section 1.014, Election Code,  
21 applicable to the district under Section 1.002 of that  
22 code. The omitted law reads:

23 Sec. 9. . . . The District shall  
24 make provisions for defraying the costs of  
25 all elections called and held under the  
26 provisions of this Act. . . .

27 Revised Law

28 Sec. 1112.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
29 board president shall execute the general obligation bonds in the  
30 district's name and the board secretary shall attest the bonds.  
31 (Acts 58th Leg., R.S., Ch. 315, Sec. 9 (part).)

32 Source Law

33 Sec. 9. . . . Such bonds . . . shall be executed  
34 in the name of the Hospital District and in its behalf  
35 by the President of the Board and attested by the  
36 Secretary and . . . .

1 Revised Law

2 Sec. 1112.205. REFUNDING BONDS. (a) District refunding  
3 bonds may, without an election, be issued to refund any bonds or  
4 other refundable indebtedness issued or assumed by the district.

5 (b) A refunding bond may be:

6 (1) sold, with the proceeds of the refunding bond  
7 applied to the payment of the outstanding bonds or other refundable  
8 indebtedness; or

9 (2) exchanged wholly or partly for not less than a  
10 similar principal amount of the outstanding bonds or other  
11 refundable indebtedness. (Acts 58th Leg., R.S., Ch. 315, Sec. 9  
12 (part).)

13 Source Law

14 Sec. 9. . . . No bond shall be issued by such  
15 Hospital District, except refunding bonds, [until  
16 authorized by a majority of the qualified property  
17 taxpaying electors of the District] . . . .

18 The bonds of the District may be issued for the  
19 purpose of refunding and paying off any bond or other  
20 refundable indebtedness issued or assumed by the  
21 District and any bond issued by such District. Such  
22 refunding bonds may be sold and the proceeds thereof  
23 applied to the payment of any outstanding bonds or  
24 other refundable indebtedness, or may be exchanged in  
25 whole or in part for not less than a like principal  
26 amount of such outstanding bonds or refundable  
27 indebtedness; . . . .

28 Revisor's Note

29 (1) Section 9, Chapter 315, Acts of the 58th  
30 Legislature, Regular Session, 1963, limits the  
31 interest rate for refunding bonds issued by the  
32 district. The revised law omits that provision as  
33 impliedly repealed by Section 2(a), Chapter 3, Acts of  
34 the 61st Legislature, Regular Session, 1969 (Article  
35 717k-2, Vernon's Texas Civil Statutes), which was  
36 revised in 1999 as Section 1204.006(a), Government  
37 Code. Section 1204.006(a), Government Code, permits a  
38 public agency, including a hospital district, to issue  
39 bonds at a net effective interest rate not to exceed 15  
40 percent and applies to district bonds by application  
41 of Section 1204.001, Government Code. The omitted law

1 reads:

2 Sec. 9. . . . provided that if such  
3 refunding bonds are to be exchanged for a  
4 like amount of said outstanding bonds or  
5 other refundable indebtedness the interest  
6 thereon computed in accordance with  
7 recognized standard bond interest cost  
8 tables shall not exceed the average  
9 interest cost per annum so computed upon the  
10 bonds or other indebtedness to be refunded;  
11 and . . . .

12 (2) Section 9, Chapter 315, Acts of the 58th  
13 Legislature, Regular Session, 1963, provides that  
14 refunding bonds sold to pay outstanding indebtedness  
15 "shall be issued and payments made in the manner  
16 specified by Article 717k, Revised Civil Statutes of  
17 Texas, as amended." Article 717k was codified in 1999  
18 as Chapter 1207, Government Code. The revised law  
19 omits the provision because Chapter 1207, Government  
20 Code, applies to the district by its own terms under  
21 Section 1207.001, Government Code. The omitted law  
22 reads:

23 Sec. 9. . . . provided further, that  
24 if such refunding bonds are to be sold and  
25 the proceeds thereof applied to the payment  
26 of any such outstanding bonds or other  
27 refundable indebtedness, same shall be  
28 issued and payments made in the manner  
29 specified by Article 717k, Revised Civil  
30 Statutes of Texas, as amended. . . .

31 Revised Law

32 Sec. 1112.206. BONDS EXEMPT FROM TAXATION. The following  
33 are exempt from taxation by this state or a political subdivision of  
34 this state:

- 35 (1) bonds issued by the district;  
36 (2) the transfer and issuance of the bonds; and  
37 (3) any profits made in the sale of the bonds. (Acts  
38 58th Leg., R.S., Ch. 315, Sec. 10 (part).)

39 Source Law

40 Sec. 10. . . . any bonds issued by it and their  
41 transfer and the issuance therefrom, including any  
42 profits made in the sale thereof, shall at all times be  
43 free from taxation by the State or any municipality or  
44 political subdivision thereof.

Revisor's Note  
(End of Subchapter)

(1) Section 9, Chapter 315, Acts of the 58th Legislature, Regular Session, 1963, provides that district bonds are subject to the law governing counties that relates to bond approval by the attorney general and registration of the bonds by the comptroller. Section 9 also provides that after approval and registration the bonds are "incontestable." The revised law omits those provisions as superseded by Chapter 1202, Government Code (enacted as Article 3, Chapter 53, Acts of the 70th Legislature, 2nd Called Session, 1987). Section 1202.003(a), Government Code, requires bonds to be submitted to the attorney general. Section 1202.003(b), Government Code, provides for approval of the bonds by the attorney general and requires the attorney general to submit the approved bonds to the comptroller for registration. Section 1202.005, Government Code, requires registration of the bonds by the comptroller. Section 1202.006, Government Code, provides that after approval and registration the bonds are incontestable and binding obligations. Chapter 1202, Government Code, applies to district bonds by application of Section 1202.001, Government Code. The omitted law reads:

Sec. 9. . . . [Such bonds] . . . shall be subject to the same requirements in the matter of the approval by the Attorney General of Texas and registration by the Comptroller of Public Accounts of the State of Texas as are by law provided for approval and registration of bonds issued by counties. After approval of any such bonds by the Attorney General and registration by the Comptroller, said bonds shall be incontestable. . . .

(2) Section 13, Chapter 315, Acts of the 58th Legislature, Regular Session, 1963, provides that district bonds are legal and authorized investments

1 for certain entities. The revised law omits that  
2 provision as unnecessary. As to several of the  
3 entities listed, Section 13 has been superseded and  
4 impliedly repealed. Investments in securities by  
5 banks are regulated by Section 34.101, Finance Code  
6 (enacted in 1995 as Section 5.101, Texas Banking Act  
7 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
8 Investments in securities by savings banks are  
9 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 in securities by building and  
17 loan associations (now called savings and loan  
18 associations) are regulated by Sections 63.002 and  
19 64.001, Finance Code. As to the remaining entities  
20 listed, Section 13 is superseded by Section 1201.041,  
21 Government Code (enacted as Section 9, Bond Procedures  
22 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
23 Statutes)). Section 1201.041, Government Code,  
24 applies to district bonds by application of Section  
25 1201.002, Government Code. The revised law omits the  
26 reference to public funds of this state because it has  
27 been superseded by Section 404.024, Government Code  
28 (enacted in 1985 as Section 2.014, Treasury Act  
29 (Article 4393-1, Vernon's Texas Civil Statutes), and  
30 last amended in 2007), which governs the investment of  
31 state funds. Section 404.024(b)(10), Government Code,  
32 authorizes the investment of state funds in  
33 obligations of political subdivisions, including  
34 hospital districts. The revised law omits the

1 reference to public funds of political subdivisions or  
2 public agencies of the state because it has been  
3 superseded by Chapter 2256, Government Code (enacted  
4 in 1987 as the Public Funds Investment Act of 1987  
5 (Article 842a-2, Vernon's Texas Civil Statutes)),  
6 which governs the investment of local funds. The  
7 omitted law reads:

8           Sec. 13. All bonds of the District  
9 shall be and are hereby declared to be legal  
10 and authorized investments of banks,  
11 savings banks, trust companies, building  
12 and loan associations, savings and loan  
13 associations, insurance companies,  
14 fiduciaries, trustees, and sinking funds of  
15 cities, towns, villages, counties, school  
16 districts, or other political subdivisions  
17 of the State of Texas, and for all public  
18 funds of the State of Texas or its agencies,  
19 including the State Permanent School Fund.  
20 . . .

21           (3) Section 13, Chapter 315, Acts of the 58th  
22 Legislature, Regular Session, 1963, provides that  
23 district bonds may secure deposits of public funds of  
24 this state or political subdivisions of this state.  
25 The revised law omits the provision as impliedly  
26 repealed by Section 404.0221, Government Code (enacted  
27 in 1995), which lists eligible collateral for deposits  
28 of state funds by the comptroller, and by Chapter 2257,  
29 Government Code (enacted in 1989 as Article 2529d,  
30 Vernon's Texas Civil Statutes), which governs eligible  
31 collateral for deposits of funds of other public  
32 agencies, including political subdivisions, and  
33 permits those deposits to be secured by obligations  
34 issued by hospital districts. The omitted law reads:

35           Sec. 13. . . . Such bonds shall be  
36 eligible to secure deposit of public funds  
37 of the State of Texas and public funds of  
38 cities, towns, villages, counties, school  
39 districts or other political subdivisions  
40 or corporations of the State of Texas; and  
41 such bonds shall be lawful and sufficient  
42 security for said deposits to the extent of  
43 their value when accompanied by all  
44 unmatured coupons appurtenant thereto.

45           [Sections 1112.207-1112.250 reserved for expansion]

1 SUBCHAPTER F. TAXES

2 Revised Law

3 Sec. 1112.251. IMPOSITION OF AD VALOREM TAX. (a) The  
4 district may impose a tax on all property in the district subject to  
5 district taxation.

6 (b) The tax may be used to meet the requirements of:

- 7 (1) district bonds;
- 8 (2) indebtedness assumed by the district; and
- 9 (3) district maintenance and operating expenses.

10 (Acts 58th Leg., R.S., Ch. 315, Sec. 3 (part).)

11 Source Law

12 Sec. 3. . . . [West Coke County Hospital  
13 District shall be created] with authority to levy  
14 annual taxes . . . on . . . all taxable property within  
15 such District for the purpose of meeting the  
16 requirements of the District's bonds, the indebtedness  
17 assumed by it and its maintenance and operating  
18 expenses, and . . . .

19 Revised Law

20 Sec. 1112.252. TAX RATE. Unless the rate is increased as  
21 provided by Section 1112.253, the district may impose the tax at a  
22 rate not to exceed 25 cents on each \$100 valuation of all taxable  
23 property in the district. (Acts 58th Leg., R.S., Ch. 315, Secs. 3  
24 (part), 9A (part).)

25 Source Law

26 Sec. 3. . . . [West Coke County Hospital  
27 District shall be created] with authority to levy  
28 annual taxes at a rate not to exceed twenty-five cents  
29 (25¢) on the One Hundred Dollar valuation of all  
30 taxable property within such District . . . .

31 Sec. 9A. . . . until the qualified taxpaying  
32 electors voting in an election for this purpose vote  
33 for the levy of a tax at a rate not to exceed 75 cents  
34 on the \$100 valuation on all property subject to  
35 taxation within the Hospital District. . . .

36 Revised Law

37 Sec. 1112.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)  
38 The board may order an election to increase the district's maximum  
39 tax rate to a rate not to exceed 75 cents on each \$100 valuation of  
40 all taxable property in the district.

41 (b) Notice of election shall be given by publishing a

1 substantial copy of the election order in a newspaper of general  
2 circulation in the district once a week for two consecutive weeks  
3 before the date of the election. The first notice must be published  
4 at least 14 days before the date of the election.

5 (c) The ballot for the election shall be printed to permit  
6 voting for or against the proposition: "The imposition of annual  
7 taxes by the district for hospital purposes at a rate not to exceed  
8 75 cents on the \$100 valuation of all taxable property in the  
9 district."

10 (d) If a majority of district voters approve the  
11 proposition, the board may impose taxes as authorized by the  
12 proposition.

13 (e) A copy of the election results are a public record.  
14 (Acts 58th Leg., R.S., Ch. 315, Secs. 3 (part), 9A (part).)

15 Source Law

16 Sec. 3. . . . Notice of election shall be given  
17 by publishing a substantial copy of the election order  
18 in a newspaper of general circulation in said District  
19 once a week for two (2) consecutive weeks, the first  
20 publication to appear at least fourteen (14) days  
21 prior to the date established for the election. . . .

22 Sec. 9A. At any time after the creation of the  
23 Hospital District, the Board of Directors may order an  
24 election to determine whether the Board of Directors  
25 may levy a tax at a rate not to exceed 75 cents on the  
26 \$100 valuation of all taxable property within the  
27 Hospital District. Prior to this election, notice  
28 must be given by the Board of Directors in the same  
29 manner provided in Section 3 of this Act. . . . The  
30 results are to be of public record. The Board of  
31 Directors shall not levy a tax at a rate exceeding 25  
32 cents on the \$100 valuation on all property subject to  
33 taxation within the Hospital District until the  
34 qualified taxpaying electors voting in an election for  
35 this purpose vote for the levy of a tax at a rate not to  
36 exceed 75 cents on the \$100 valuation on all property  
37 subject to taxation within the Hospital District. The  
38 ballot for this election must contain substantially  
39 the following:

40 "FOR the levy of a tax not to exceed 75 cents on  
41 the \$100 valuation on all property subject to taxation  
42 within the West Coke County Hospital District."

43 "AGAINST the levy of a tax not to exceed 75 cents  
44 on the \$100 valuation on all property subject to  
45 taxation within the West Coke County Hospital  
46 District."

47 Revisor's Note

48 (1) Section 9A, Chapter 315, Acts of the 58th  
49 Legislature, Regular Session, 1963, provides that the

1           presiding judge of each voting place shall certify the  
2           results to the board of directors of the district. The  
3           revised law omits those requirements as superseded by  
4           Sections 67.002, 67.003, and 67.004, Election Code,  
5           which require the governing body of a political  
6           subdivision that orders an election to canvass the  
7           returns and provide the time frame and procedures for  
8           the canvass. The omitted law reads:

9                        Sec. 9A. . . . The presiding judge of  
10                      each voting place shall certify the results  
11                      to the Board of Directors which shall  
12                      declare the results. . . .

13           (2) Section 9A, Chapter 315, Acts of the 58th  
14           Legislature, Regular Session, 1963, provides that the  
15           board of directors may not impose an ad valorem tax at  
16           a rate that exceeds 25 cents on the \$100 valuation  
17           until the "qualified taxpaying electors" vote for the  
18           imposition of an ad valorem tax at a rate not to exceed  
19           75 cents on the \$100 valuation. The revised law omits  
20           the reference to "qualified" for the reason stated in  
21           Revisor's Note (5) to Section 1112.051. The revised  
22           law substitutes "voter" for "elector" because "voter"  
23           is the term used in the Election Code. The revised law  
24           omits the reference to "taxpaying" voters for the  
25           reasons stated in Revisor's Note (2) to Section  
26           1112.203.

27                                       Revised Law

28           Sec. 1112.254. TAX       ASSESSOR-COLLECTOR.       The tax  
29           assessor-collector of Coke County shall assess and collect taxes  
30           imposed by the district. (Acts 58th Leg., R.S., Ch. 315, Sec. 15  
31           (part).)

32                                       Source Law

33                        Sec. 15. . . . The Tax Assessor and/or  
34                      Collector of Coke County shall be charged and required  
35                      to accomplish the assessment and collection of all  
36                      taxes levied by and on behalf of the District and  
37                      . . . .

1 Revisor's Note

2 (1) Section 15, Chapter 315, Acts of the 58th  
3 Legislature, Regular Session, 1963, provides that tax  
4 revenue shall be deposited in the district's  
5 depository. The revised law omits the provision  
6 because Section 31.10, Tax Code, requires the tax  
7 assessor-collector of a taxing unit to deposit taxes  
8 collected in the unit's depository. The omitted law  
9 reads:

10 Sec. 15. . . . [The Tax Assessor  
11 and/or Collector of Coke County shall be  
12 charged and required] . . . to promptly pay  
13 over the same to the District Depository.  
14 . . .

15 (2) Section 15, Chapter 315, Acts of the 58th  
16 Legislature, Regular Session, 1963, provides for  
17 compensating the county tax assessor-collector for the  
18 assessment and collection of district taxes. The  
19 revised law omits that provision because it was  
20 repealed by Section 6(b), Chapter 841, Acts of the 66th  
21 Legislature, Regular Session, 1979, which repealed all  
22 "general, local, and special laws" that conflicted  
23 with that act. The 1979 act enacted the Property Tax  
24 Code (Title 1, Tax Code), a comprehensive, substantive  
25 codification of all property tax law. Title 1, Tax  
26 Code, provides the exclusive procedures for the  
27 imposition and collection of property taxes by a  
28 taxing unit, including a hospital district. Section  
29 6.27(b), Tax Code, provides for the compensation of a  
30 county tax assessor-collector assessing and  
31 collecting taxes for another taxing unit. The omitted  
32 law reads:

33 Sec. 15. . . . For his services the  
34 County Tax Assessor-Collector shall be  
35 allowed such compensation as may be  
36 provided for by contract with the District  
37 but not to exceed the amount allowed for  
38 assessment and collection of County taxes.  
39 . . .

1           (3) Section 15, Chapter 315, Acts of the 58th  
2           Legislature, Regular Session, 1963, provides that the  
3           bond of the county tax assessor-collector is security  
4           for the performance of district duties unless the  
5           board determines that an additional bond is necessary.  
6           The revised law omits that provision for the reasons  
7           discussed in Revisor's Note (2) to this section. The  
8           omitted law reads:

9                        Sec. 15. . . . The bond of the County  
10                       Tax Assessor-Collector shall stand as  
11                       security for the proper performance of his  
12                       duties as Assessor-Collector of the  
13                       District, or, if in the judgment of the  
14                       District Board of Directors, it is  
15                       necessary that additional bond payable to  
16                       the District may be required. . . .

17           (4) Section 15, Chapter 315, Acts of the 58th  
18           Legislature, Regular Session, 1963, provides that the  
19           county tax assessor-collector may act in accordance  
20           with state law relating to the assessment, collection,  
21           and enforcement of state and county taxes. The revised  
22           law omits that provision as unnecessary because Title  
23           1, Tax Code, governs the appraisal of property for and  
24           the assessment and collection of ad valorem taxes by  
25           all taxing units in this state. See Section 1.02, Tax  
26           Code. The omitted law reads:

27                        Sec. 15. . . . In all matters  
28                        pertaining to the assessment, collection  
29                        and enforcement of taxes for the District,  
30                        the County Tax Assessor-Collector shall be  
31                        authorized to act in all respects according  
32                        to the laws of the State of Texas relating  
33                        to State and County Taxes.

34                                       Revisor's Note  
35                                       (End of Subchapter)

36           Section 15, Chapter 315, Acts of the 58th  
37           Legislature, Regular Session, 1963, requires the  
38           district to impose taxes in a certain manner and  
39           authorizes the board to order the county tax  
40           assessor-collector to assess property in the district  
41           at a percentage of fair market value greater than the

1 percentage of fair market value used in assessing the  
2 property for state and county purposes. The revised  
3 law omits that provision because it was repealed by  
4 Section 6(b), Chapter 841, Acts of the 66th  
5 Legislature, Regular Session, 1979. See Revisor's  
6 Note (2) to Section 1112.254. Title 1, Tax Code,  
7 provides the exclusive procedures for the assessment,  
8 imposition, and collection of ad valorem taxes by a  
9 taxing unit, including a hospital district. The  
10 omitted law reads:

11           Sec. 15. District taxes shall be  
12 assessed and collected in the same manner as  
13 provided by law with relation to county  
14 taxes. The Board of Directors may order the  
15 County Tax Assessor-Collector to assess the  
16 property in the District at a percentage of  
17 its fair market value that is greater than  
18 that used in assessing the property for  
19 State and County purposes. The County Tax  
20 Assessor-Collector shall assess the  
21 property at that percentage of fair market  
22 value until the Board orders him to assess  
23 the property at a different percentage. The  
24 Board may not order a change in the  
25 percentage of fair market value used in  
26 assessing property to take effect before  
27 the tax year following the tax year in which  
28 the Board issues the order making the  
29 change. . . .

30                           Revisor's Note  
31                           (End of Chapter)

32           (1) Sections 2, 7, and 8, Chapter 315, Acts of  
33 the 58th Legislature, Regular Session, 1963, provide  
34 for the transfer of certain land, buildings,  
35 improvements, equipment, funds, and taxes to the  
36 district after the district is created and provide for  
37 the assumption of debt by the district on creation.  
38 The revised law omits the provisions as executed. The  
39 omitted law reads:

40           Sec. 2. The District herein  
41 authorized to be created shall take over and  
42 there shall be transferred to it the title  
43 to all lands, buildings, improvements and  
44 equipment in anywise pertaining to  
45 hospitals owned by the County or by any city  
46 or town thereof, and thereafter it . . .  
47 shall assume the outstanding indebtedness  
48 which shall have been incurred by Coke

1 County and any city or town therein for  
2 hospital purposes prior to the creation of  
3 the District.

4 Sec. 7. All lands, buildings and  
5 equipment that at the time of the creation  
6 of the District are owned by Coke County,  
7 Texas, or by any city or town therein and  
8 which were acquired by them for the purpose  
9 of providing hospital service or care for  
10 patients of such County or city, shall  
11 become the property of West Coke County  
12 Hospital District, and the Commissioners  
13 Court of Coke County and the governing body  
14 of any such city or town shall provide by  
15 order that all property so owned shall be  
16 conveyed to the West Coke County Hospital  
17 District in consideration of the Hospital  
18 District assuming all debts and obligations  
19 arising from the acquisition, construction  
20 and operation of such County and city or  
21 town hospital facilities. The Hospital  
22 District, through its Board of Directors,  
23 shall by resolution accept said properties  
24 and shall assume all the liabilities and  
25 obligations, including bonds and warrants  
26 incurred by Coke County or such city or town  
27 for such hospital purposes.

28 Sec. 8. Any funds remaining in the  
29 hands of the County or any city or town  
30 therein, as the proceeds of bonds assumed by  
31 the District, as herein provided, shall  
32 forthwith be transferred to and become the  
33 funds of the Hospital District and title  
34 thereto shall vest in such District. There  
35 shall also vest in said District and become  
36 the funds thereof the unspent portion of any  
37 other funds theretofore set up or  
38 appropriated by budget or otherwise by Coke  
39 County or any city or town thereof for the  
40 support and maintenance of hospital  
41 facilities for the year within which the  
42 Hospital District is created, thereby  
43 providing such Hospital District with funds  
44 with which to maintain and operate such  
45 facilities for the remainder of such year.  
46 Any uncollected or delinquent taxes levied  
47 for hospital purposes by Coke County or any  
48 city or town thereof, as collected, shall be  
49 paid to the District and applied by it to  
50 the purposes for which such taxes  
51 originally were levied. Any and all  
52 obligations under contracts legally  
53 incurred by Coke County or any city or town  
54 therein for the building or the support and  
55 maintenance of hospital facilities prior to  
56 the creation of said District but  
57 outstanding at the time of its creation  
58 shall be assumed and discharged by such  
59 District without prejudice to the rights of  
60 third parties. It is provided that the  
61 management and control of the property and  
62 affairs of any hospital system or systems  
63 owned and operated by Coke County or any  
64 city or town thereof shall continue in the  
65 existing Board of Managers until  
66 appointment and organization of the Board  
67 of Directors of the Hospital District, at  
68 which time the Board of Managers of the

1 present hospital or hospital system shall  
2 turn over all records, property and affairs  
3 of said hospital system to the Board of  
4 Directors of the District and shall cease to  
5 exist as a Board of Managers of the existing  
6 hospital system.

7 The Commissioners Court of Coke County  
8 and the governing body of any city therein  
9 owning the hospital or hospital system, as  
10 the case may be, as soon as the Hospital  
11 District is created and authorized at the  
12 election hereinabove provided, and there  
13 have been appointed and qualified the Board  
14 of Hospital Directors above provided for,  
15 shall execute and deliver to the Hospital  
16 District, to wit: to its Board of Directors,  
17 an instrument in writing conveying to said  
18 Hospital District the hospital properties  
19 including management, buildings and  
20 equipment, and shall transfer to said  
21 Hospital District the funds hereinabove  
22 provided to be vested in the Hospital  
23 District. Such funds, in the hands of the  
24 Hospital District and its Board of  
25 Directors shall be used for all or any of  
26 the same purposes and for no other purposes  
27 than, the purposes for which the County or  
28 city transferring such funds could lawfully  
29 have used the same had they remained the  
30 property and funds of such County or city.

31 (2) Section 21, Chapter 315, Acts of the 58th  
32 Legislature, Regular Session, 1963, provides that the  
33 act is severable. The revised law omits that provision  
34 because the same result is produced by application of  
35 Section 311.032, Government Code (Code Construction  
36 Act), which provides that a provision of a statute is  
37 severable from each other provision of the statute  
38 that can be given effect. The omitted law reads:

39 Sec. 21. If any of the provisions of  
40 this Act or the application thereof to any  
41 person or circumstances is held invalid,  
42 such invalidity shall not affect other  
43 provisions or applications of the Act which  
44 can be given effect without the invalid  
45 provision or application, and to this end  
46 the provisions of this Act are declared to  
47 be severable.

48 (3) Section 22, Chapter 315, Acts of the 58th  
49 Legislature, Regular Session, 1963, provides that  
50 public notice of enactment of the statute was provided  
51 in a manner that satisfies the requirements of the  
52 Texas Constitution. The revised law omits that  
53 section as executed. The omitted law reads:

1           Sec. 22. Proof of publication of the  
2 notice required in the enactment hereof  
3 under the provisions of Section 9 of Article  
4 IX of the Texas Constitution has been made  
5 in the manner and form provided by law  
6 pertaining to the enactment of local and  
7 special laws and such notice is hereby found  
8 and declared proper and sufficient to  
9 satisfy such requirement.

10           CHAPTER 1113. WILBARGER COUNTY HOSPITAL DISTRICT

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29		SUBCHAPTER A. GENERAL PROVISIONS	
30		<u>Revised Law</u>	
31	Sec. 1113.001.	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 Wilbarger County Hospital  
2 District. (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 definition.

8 Revised Law

9 Sec. 1113.002. AUTHORITY FOR OPERATION. The Wilbarger  
10 County Hospital District operates in accordance with Section 9,  
11 Article IX, Texas Constitution, and has the powers and  
12 responsibilities provided by that section. (Acts 59th Leg., R.S.,  
13 Ch. 6, Sec. 1 (part).)

14 Source Law

15 Sec. 1. In accordance with the provisions of  
16 Article IX, Section 9, Constitution of the State of  
17 Texas, this Act shall be operative so as to authorize  
18 the creation, establishment, maintenance and  
19 operation of a hospital district within the State of  
20 Texas, . . . said district shall have the powers and  
21 responsibilities provided by the aforesaid  
22 constitutional provision.

23 Revisor's Note

24 Section 1, Chapter 6, Acts of the 59th  
25 Legislature, Regular Session, 1965, authorizes "the  
26 creation, establishment, maintenance and operation"  
27 of the district. The revised law omits "creation" and  
28 "establishment" as executed. The revised law omits  
29 "maintenance" because, in this context, the meaning of  
30 that term is included in the meaning of "operation."

31 Revised Law

32 Sec. 1113.003. POLITICAL SUBDIVISION. The district is a  
33 political subdivision of this state. (Acts 59th Leg., R.S., Ch. 6,  
34 Sec. 17 (part).)

35 Source Law

36 Sec. 17. The hospital district created under  
37 the provisions of this Act shall be and is declared to  
38 be a political subdivision of the State of Texas, and  
39 . . . .



1 expressly provided or not. . . .

2 Revisor's Note  
3 (End of Subchapter)

4 Section 2, Chapter 6, Acts of the 59th  
5 Legislature, Regular Session, 1965, provides  
6 procedures for holding an election on the creation of  
7 the district and the imposition of an ad valorem tax.  
8 Because the election creating the district has been  
9 held, the revised law omits the relevant law as  
10 executed. The omitted law reads:

11 Sec. 2. . . . provided, however,  
12 that such hospital district shall not be  
13 created unless and until an election is duly  
14 held in the county for such purpose, which  
15 said election may be initiated by the  
16 Commissioners Court of the county upon its  
17 own motion or upon a petition of one hundred  
18 (100) resident legally qualified property  
19 taxpaying electors, to be held not less than  
20 thirty (30) days from the time said election  
21 is ordered by the Commissioners Court. At  
22 said election there shall be submitted to  
23 the legally qualified property taxpaying  
24 electors the proposition of whether or not a  
25 hospital district shall be created in the  
26 county; and a majority of the legally  
27 qualified property taxpaying electors  
28 participating in said election voting in  
29 favor of the proposition shall be  
30 necessary. The ballots shall have printed  
31 thereon:

32 "FOR the creation of a hospital  
33 district; providing for the levy of a tax  
34 not to exceed Fifty Cents (50¢) on the One  
35 Hundred Dollars (\$100) valuation";

36 and

37 "AGAINST the creation of a hospital  
38 district; providing for the levy of a tax  
39 not to exceed Fifty Cents (50¢) on the One  
40 Hundred Dollars (\$100) valuation."

41 [Sections 1113.006-1113.050 reserved for expansion]

42 SUBCHAPTER B. DISTRICT ADMINISTRATION

43 Revised Law

44 Sec. 1113.051. BOARD ELECTION; TERM. (a) The board  
45 consists of seven directors elected from the district at large by  
46 position. To be elected, a candidate must receive a majority of the  
47 votes cast in the election for that position.

48 (b) Directors serve staggered three-year terms. (Acts 59th  
49 Leg., R.S., Ch. 6, Sec. 3 (part).)



1 directors as executed but codifies the requirement  
2 that directors serve staggered three-year terms.

3 (3) Section 3, Chapter 6, Acts of the 59th  
4 Legislature, Regular Session, 1965, provides that a  
5 director serves until a successor is "duly elected or  
6 appointed and qualified." The revised law omits that  
7 provision because it duplicates Section 17, Article  
8 XVI, Texas Constitution, which provides that an  
9 officer in this state is to continue to perform the  
10 officer's official duties until a successor has  
11 qualified.

12 (4) Section 3, Chapter 6, Acts of the 59th  
13 Legislature, Regular Session, 1965, provides that  
14 directors' elections are held on the first Saturday in  
15 April each year. The revised law omits that provision  
16 as impliedly repealed by Chapter 14, Acts of the 69th  
17 Legislature, 3rd Called Session, 1986, which amended  
18 Section 41.001, Election Code, to prescribe certain  
19 uniform election dates. Section 37 of that act  
20 required a political subdivision that held its general  
21 election of officers on the first Saturday in April to  
22 hold that election on a uniform election date in May or  
23 to choose a different uniform election day on which to  
24 hold the election. The omitted law reads:

25           Sec. 3. . . . All elections as  
26 heretofore stated shall be on the first  
27 Saturday in April. . . . A regular  
28 election of directors shall be held on the  
29 first Saturday in April of each year and  
30 . . . .

31 (5) Section 3, Chapter 6, Acts of the 59th  
32 Legislature, Regular Session, 1965, provides that a  
33 candidate "shall be voted upon and be elected  
34 separately for each position." The section also  
35 provides that a candidate is eligible to run for only  
36 one position at each election. The revised law omits  
37 those provisions because they duplicate Section

1 52.034, Election Code, which provides that, except  
2 under certain circumstances, a candidate's name may  
3 not appear more than once on a ballot. The omitted law  
4 reads:

5           Sec. 3. . . . At each election  
6 candidates shall be voted upon and be  
7 elected separately for each position on the  
8 board, and . . . . A candidate shall be  
9 eligible to run for only one (1) position at  
10 each election. . . .

11           (6) Section 3, Chapter 6, Acts of the 59th  
12 Legislature, Regular Session, 1965, requires each  
13 candidate to be placed on the official ballot for the  
14 election "according to the number of the position for  
15 which he or she is running." The revised law omits  
16 that provision because it duplicates Section 52.066,  
17 Election Code, which requires the title of an office to  
18 be voted on to be listed on the ballot with the name of  
19 each candidate for that office. The omitted law reads:

20           Sec. 3. . . . the name of each  
21 candidate shall be placed on the official  
22 ballot according to the number of the  
23 position for which he or she is running and  
24 for which he or she has petitioned. . . .

25           (7) Section 3, Chapter 6, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides for a  
27 runoff election between the two candidates receiving  
28 the highest number of votes for director if a candidate  
29 does not receive a majority of the votes cast for a  
30 position at the election. The revised law omits that  
31 provision because it duplicates Section 2.023,  
32 Election Code, applicable to the district under  
33 Section 1.002 of that code. The omitted law reads:

34           Sec. 3. . . . If no candidate  
35 receives such a majority, then the two  
36 candidates receiving the highest number of  
37 votes shall run against each other for the  
38 position. . . .

39           (8) Section 3, Chapter 6, Acts of the 59th  
40 Legislature, Regular Session, 1965, establishes the  
41 last Saturday in April as the date of any runoff

1 election for director. The revised law omits that  
2 provision because Section 2.025(a), Election Code,  
3 requires a runoff election to be held not earlier than  
4 the 20th or later than the 45th day after the date the  
5 final canvass of the main election is completed.  
6 Section 2.025(c), Election Code, provides that Section  
7 2.025 supersedes a law outside Subchapter B, Chapter  
8 2, Election Code, to the extent of a conflict. The  
9 omitted law reads:

10                   Sec. 3. . . . The run-off election  
11                   for all positions shall be held on the last  
12                   Saturday in April . . . .

13   Revised Law

14           Sec. 1113.052. NOTICE OF ELECTION AND RUNOFF ELECTION. (a)  
15 At least 10 days before the date of a directors' election, notice of  
16 the election must be published one time in a newspaper of general  
17 circulation in Wilbarger County.

18           (b) At least seven days before the date of a runoff election  
19 of directors, notice of the runoff election must be published one  
20 time in a newspaper of general circulation in Wilbarger County.  
21 (Acts 59th Leg., R.S., Ch. 6, Sec. 3 (part).)

22   Source Law

23           Sec. 3. . . . [The run-off election] . . . with  
24 the notice thereof to be published in a newspaper of  
25 general circulation in the county one (1) time at least  
26 seven (7) days prior to the date of the run-off  
27 election. . . .

28           [A regular election of directors] . . . notice  
29 of such election shall be published in a newspaper of  
30 general circulation in the county one (1) time at least  
31 ten (10) days prior to the date of the election. . . .

32   Revisor's Note

33           Section 3, Chapter 6, Acts of the 59th  
34 Legislature, Regular Session, 1965, requires notice of  
35 a regular or a runoff directors' election to be  
36 published in "the county." Throughout this chapter,  
37 the revised law substitutes "Wilbarger County" for the  
38 quoted language because Wilbarger County is the county  
39 in which the district is located.

1 Revised Law

2 Sec. 1113.053. BALLOT PETITION. A person who wants to have  
3 the person's name printed on the ballot as a candidate for director  
4 must file with the board secretary a petition requesting that  
5 action. The petition must be:

6 (1) signed by at least 100 registered voters; and

7 (2) filed by the deadline imposed by Section 144.005,  
8 Election Code. (Acts 59th Leg., R.S., Ch. 6, Sec. 3 (part).)

9 Source Law

10 Sec. 3. . . . Any person desiring his name to be  
11 printed on the ballot as a candidate for director shall  
12 file a petition, signed by not less than one hundred  
13 (100) legally qualified voters asking that such name  
14 be printed on the ballot, with the secretary of the  
15 board of directors of the district. Such petition  
16 shall be filed with such secretary at least  
17 twenty-five (25) days prior to the date of election.

18 Revisor's Note

19 (1) Section 3, Chapter 6, Acts of the 59th  
20 Legislature, Regular Session, 1965, refers to a  
21 petition signed by "legally qualified" voters. The  
22 revised law substitutes "registered" for the quoted  
23 language because in the context of eligibility to sign  
24 a petition, Section 277.0021, Election Code, provides  
25 that "qualified voter" means a "registered voter." In  
26 addition, the revised law omits "legally" as  
27 unnecessary because the Election Code governs  
28 eligibility to vote in an election and to sign an  
29 election-related petition in this state.

30 (2) Section 3, Chapter 6, Acts of the 59th  
31 Legislature, Regular Session, 1965, requires a  
32 candidate for director to file a petition signed by at  
33 least 100 voters at least 25 days before the date of  
34 the election to have the candidate's name appear on the  
35 ballot. Under Section 144.003, Election Code  
36 (applicable to the district under Section 144.001,  
37 Election Code), a candidate for office must submit an  
38 application for a place on the ballot. The application

1 must be filed by the deadline imposed by Section  
2 144.005, Election Code, which is either 71 or 78 days  
3 before the date of the election, depending on when the  
4 election is held. Because the petition serves as an  
5 additional requirement for a candidate to appear on  
6 the ballot, the revised law conforms the date the  
7 petition must be filed to the date the application must  
8 be filed.

9 Revised Law

10 Sec. 1113.054. QUALIFICATIONS FOR OFFICE. A person may not  
11 be appointed or elected as a director unless the person is:

12 (1) a resident of the district; and

13 (2) at least 18 years of age at the time of the  
14 appointment or election. (Acts 59th Leg., R.S., Ch. 6, Sec. 3  
15 (part).)

16 Source Law

17 Sec. 3. . . . No person shall be appointed or  
18 elected as a member of the board of directors of said  
19 hospital district unless he or she is a resident  
20 thereof and unless at the time of such election or  
21 appointment he or she shall be eighteen (18) years of  
22 age or older. . . .

23 Revised Law

24 Sec. 1113.055. BOND; RECORD OF BOND AND OATH. (a) Each  
25 director shall execute a good and sufficient bond for \$1,000 that  
26 is:

27 (1) payable to the district; and

28 (2) conditioned on the faithful performance of the  
29 director's duties.

30 (b) Each director's bond and constitutional oath of office  
31 shall be deposited with the district's depository bank for  
32 safekeeping. (Acts 59th Leg., R.S., Ch. 6, Sec. 3 (part).)

33 Source Law

34 Sec. 3. . . . Each member of the board of  
35 directors . . . shall execute a good and sufficient  
36 bond for One Thousand Dollars (\$1,000) payable to said  
37 district conditioned upon the faithful performance of  
38 his duties, and such oaths and bonds shall be deposited  
39 with the depository bank of the district for  
40 safekeeping. . . .

1 Revisor's Note

2 Section 3, Chapter 6, Acts of the 59th  
3 Legislature, Regular Session, 1965, requires each  
4 director to take the constitutional oath of office.  
5 The revised law omits that provision because Section  
6 1, Article XVI, Texas Constitution, requires an  
7 officer of this state to take the constitutional oath  
8 (or affirmation) before assuming office. The omitted  
9 law reads:

10 Sec. 3. . . . [Each member of the  
11 board of directors] shall qualify by  
12 executing the constitutional oath of office  
13 and . . . .

14 Revised Law

15 Sec. 1113.056. BOARD VACANCY. (a) If a vacancy occurs in  
16 the office of director, the remaining directors shall appoint a  
17 director for the unexpired term.

18 (b) If the number of directors is reduced to fewer than four  
19 for any reason, the remaining directors shall immediately call a  
20 special election to fill the vacancies. If the remaining directors  
21 do not call the election, a district court, on application of a  
22 district voter or taxpayer, may order the directors to hold the  
23 election. (Acts 59th Leg., R.S., Ch. 6, Sec. 3 (part).)

24 Source Law

25 Sec. 3. . . . All vacancies in the office of  
26 director shall be filled for the unexpired term by  
27 appointment of the remainder of the board of  
28 directors. In the event the number of directors shall  
29 be reduced to less than four (4) for any reason, the  
30 remaining directors shall immediately call a special  
31 election to fill said vacancies, and upon failure to do  
32 so a district court may, upon application of any voter  
33 or taxpayer of the district, issue a mandate requiring  
34 that such election be ordered by the remaining  
35 directors. . . .

36 Revisor's Note

37 Section 3, Chapter 6, Acts of the 59th  
38 Legislature, Regular Session, 1965, provides that if  
39 there are fewer than four directors, a district court  
40 may "issue a mandate requiring that such election [to  
41 fill vacancies in directors' offices] be ordered by the

1 remaining directors." The revised law substitutes  
2 "order the directors to hold the election" for the  
3 quoted language because a mandate requiring directors  
4 to order an election is necessarily an order for  
5 directors to hold the election. See generally Titles 1  
6 and 4 through 7, Election Code, providing that the  
7 authority ordering an election is the authority  
8 responsible for holding the election.

9 Revised Law

10 Sec. 1113.057. OFFICERS. The board shall elect from among  
11 its members a presiding officer, assistant presiding officer, and a  
12 secretary. (Acts 59th Leg., R.S., Ch. 6, Sec. 3 (part).)

13 Source Law

14 Sec. 3. . . . The board of directors shall  
15 organize by electing one (1) of their number as  
16 chairman, one (1) of their number as vice-chairman,  
17 and one (1) of their number as secretary. . . .

18 Revisor's Note

19 Section 3, Chapter 6, Acts of the 59th  
20 Legislature, Regular Session, 1965, refers to the  
21 "chairman" and "vice-chairman" of the board.  
22 Throughout this chapter, the revised law substitutes  
23 "presiding officer" and "assistant presiding officer"  
24 for "chairman" and "vice-chairman" respectively  
25 because, in context, the terms have the same meaning  
26 and "presiding officer" and "assistant presiding  
27 officer" are more commonly used and are  
28 gender-neutral.

29 Revised Law

30 Sec. 1113.058. COMPENSATION; EXPENSES. A director serves  
31 without compensation but may be reimbursed for actual expenses  
32 incurred in the performance of official duties on approval of the  
33 expenses by the board. (Acts 59th Leg., R.S., Ch. 6, Sec. 4  
34 (part).)

35 Source Law

36 Sec. 4. . . . [the board of directors of the

1 district] who shall serve without compensation but may  
2 be reimbursed for actual expenses incurred in the  
3 performance of their official duties upon the approval  
4 of such expenses by the board of directors.

5 Revised Law

6 Sec. 1113.059. VOTING REQUIREMENT. A concurrence of four  
7 directors is sufficient in any matter relating to district  
8 business. (Acts 59th Leg., R.S., Ch. 6, Sec. 3 (part).)

9 Source Law

10 Sec. 3. . . . [the board of directors] . . . a  
11 concurrence of four (4) shall be sufficient in all  
12 matters pertaining to the business of the  
13 district. . . .

14 Revisor's Note

15 Section 3, Chapter 6, Acts of the 59th  
16 Legislature, Regular Session, 1965, provides that four  
17 directors constitute a quorum. The revised law omits  
18 that provision because it duplicates Section 311.013,  
19 Government Code (Code Construction Act), which  
20 provides that a quorum of a public body is a majority  
21 of the number of members fixed by statute. The omitted  
22 law reads:

23 Sec. 3. . . . Any four (4) members of  
24 the board of directors shall constitute a  
25 quorum and . . . .

26 Revised Law

27 Sec. 1113.060. MEETINGS. (a) A board meeting may be called  
28 by the presiding officer or any four directors.

29 (b) Notice of the time and place of a board meeting must be  
30 given to each director not later than the seventh day before the  
31 time of the meeting.

32 (c) This section does not prevent the board from  
33 establishing by resolution a regular time and place for meetings  
34 for which special notice is not required. (Acts 59th Leg., R.S.,  
35 Ch. 6, Sec. 3 (part).)

36 Source Law

37 Sec. 3. . . . A meeting of the board of  
38 directors may be called by the chairman or any four (4)  
39 directors. Notice of the time and place of any meeting  
40 must be given to all the directors not less than seven  
41 (7) days prior to the time of the meeting. Nothing

1 herein shall prevent the board of directors from  
2 establishing by resolution a regular time and place  
3 for meetings, for which no special notice need be  
4 given. . . .

5 Revised Law

6 Sec. 1113.061. EMPLOYEES. (a) The board may employ a  
7 general manager and other necessary professional and clerical  
8 personnel.

9 (b) The title of the general manager hired by the board may  
10 be president. (Acts 59th Leg., R.S., Ch. 6, Secs. 3 (part), 8  
11 (part).)

12 Source Law

13 Sec. 3. . . . The title of the general manager  
14 hired by the board may be president. . . .

15 Sec. 8. [The board of directors] . . . may  
16 employ a general manager, and such professional and  
17 clerical assistance as may be necessary. . . .

18 Revised Law

19 Sec. 1113.062. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
20 Except as provided by Section 1113.055, all district records,  
21 including books, accounts, notices, and minutes, and all other  
22 matters of the district and the operation of its facilities, shall  
23 be:

24 (1) maintained at the district office; and

25 (2) open to public inspection at the district office  
26 at all reasonable hours. (Acts 59th Leg., R.S., Ch. 6, Sec. 8  
27 (part).)

28 Source Law

29 Sec. 8. . . . All books, records, accounts,  
30 notices and minutes and all other matters of the  
31 district and the operation of its facilities shall,  
32 except as herein provided, be maintained at the office  
33 of the district and there be open to public inspection  
34 at all reasonable hours. . . .

35 Revisor's Note

36 Section 8, Chapter 6, Acts of the 59th  
37 Legislature, Regular Session, 1965, states that  
38 records shall be maintained at the district office  
39 "except as herein provided." For the convenience of  
40 the reader, the revised law substitutes a reference to

1 Section 1113.055, which is the only exception provided  
2 in Chapter 6.

3 Revised Law

4 Sec. 1113.063. SEAL. The board may adopt a seal for the  
5 district. (Acts 59th Leg., R.S., Ch. 6, Sec. 8 (part).)

6 Source Law

7 Sec. 8. [The board of directors] . . . shall  
8 have the power to adopt a seal for such district; and  
9 . . . .

10 [Sections 1113.064-1113.100 reserved for expansion]

11 SUBCHAPTER C. POWERS AND DUTIES

12 Revised Law

13 Sec. 1113.101. DISTRICT RESPONSIBILITY. The district has  
14 full responsibility for providing medical and hospital care for the  
15 district's needy and indigent residents. (Acts 59th Leg., R.S.,  
16 Ch. 6, Secs. 2 (part), 13 (part).)

17 Source Law

18 Sec. 2. That said district hereby provided for  
19 shall assume full responsibility for providing medical  
20 and hospital care for the needy persons residing  
21 within the district; . . . .

22 Sec. 13. . . . such hospital district shall be  
23 deemed to have assumed full responsibility for the  
24 furnishing of medical and hospital care for the needy  
25 and indigent persons residing in said hospital  
26 district from the date that taxes are collected for the  
27 hospital district.

28 Revisor's Note

29 Sections 2 and 13, Chapter 6, Acts of the 59th  
30 Legislature, Regular Session, 1965, provide that the  
31 district "shall assume" and "shall be deemed to have  
32 assumed" full responsibility for providing medical and  
33 hospital care for the district's residents and the  
34 district's needy and indigent residents. Section 13  
35 also provides that the district shall assume that  
36 responsibility "from the date that taxes are collected  
37 for the hospital district." The revised law  
38 substitutes "has" for "shall assume" and "shall be  
39 deemed to have assumed" because the duty to assume the

1 responsibility is executed. The revised law omits  
2 "from the date that taxes are collected for the  
3 hospital district" as executed.

4 Revised Law

5 Sec. 1113.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION.  
6 Wilbarger County or a municipality in Wilbarger County may not  
7 impose a tax for hospital purposes. (Acts 59th Leg., R.S., Ch. 6,  
8 Sec. 13 (part).)

9 Source Law

10 Sec. 13. After the hospital district has been  
11 organized pursuant to this Act, neither Wilbarger  
12 County nor any city therein shall levy any tax for  
13 hospital purposes; and . . . .

14 Revisor's Note

15 (1) Section 13, Chapter 6, Acts of the 59th  
16 Legislature, Regular Session, 1965, provides that  
17 "[a]fter the hospital district has been organized  
18 pursuant to this Act," certain political subdivisions  
19 may not levy a tax for hospital purposes. The revised  
20 law omits the quoted language because the district has  
21 been created. In addition, throughout this chapter,  
22 the revised law substitutes "impose" for "levy"  
23 because, in the context of taxation, the terms are  
24 synonymous and "impose" is more commonly used.

25 (2) Section 13, Chapter 6, Acts of the 59th  
26 Legislature, Regular Session, 1965, refers to a  
27 "city." The revised law substitutes "municipality"  
28 for "city" because that is the term used in the Local  
29 Government Code.

30 Revised Law

31 Sec. 1113.103. MANAGEMENT AND CONTROL OF DISTRICT. The  
32 management and control of the district is vested in the board. (Acts  
33 59th Leg., R.S., Ch. 6, Sec. 4 (part).)

34 Source Law

35 Sec. 4. The management and control of such  
36 hospital district created pursuant to the provisions  
37 of this Act is hereby vested in the board of directors

1 of the district . . . .

2 Revised Law

3 Sec. 1113.104. RULES. (a) The board may adopt rules  
4 governing the operation of the district and district facilities.

5 (b) The rules, on approval by the board, may be published in  
6 booklet form at district expense and may be made available to any  
7 taxpayer on request. (Acts 59th Leg., R.S., Ch. 6, Sec. 8 (part).)

8 Source Law

9 Sec. 8. . . . The board of directors is  
10 specifically empowered to adopt rules and regulations  
11 governing the operation of the district and its  
12 facilities which rules and regulations shall  
13 supplement but shall not contravene any of the  
14 provisions of this Act. Such rules and regulations  
15 may, upon approval of the board of directors, be  
16 published in booklet or pamphlet form at the expense of  
17 the district and may be made available to any taxpayer  
18 upon request.

19 Revisor's Note

20 (1) Section 8, Chapter 6, Acts of the 59th  
21 Legislature, Regular Session, 1965, refers to "rules  
22 and regulations." The revised law omits the  
23 references to "regulations" because under Section  
24 311.005(5), Government Code (Code Construction Act),  
25 applicable to the revised law, a rule is defined to  
26 include a regulation.

27 (2) Section 8, Chapter 6, Acts of the 59th  
28 Legislature, Regular Session, 1965, provides that the  
29 board may adopt rules that "shall supplement but shall  
30 not contravene any of the provisions of this Act." The  
31 revised law omits the quoted language because, under  
32 established principles of law, the board is not  
33 authorized to take any action contrary to the laws of  
34 this state.

35 (3) Section 8, Chapter 6, Acts of the 59th  
36 Legislature, Regular Session, 1965, refers to  
37 publishing rules in "booklet or pamphlet form." The  
38 revised law omits "pamphlet" because, in context, the  
39 meaning of "pamphlet" is included in the meaning of

1 "booklet."

2 Revised Law

3 Sec. 1113.105. PURCHASING AND ACCOUNTING. (a) The board  
4 may prescribe the method and manner of making purchases and  
5 expenditures by and for the district.

6 (b) The board shall prescribe:

7 (1) all accounting and control procedures; and

8 (2) the method of purchasing necessary supplies,  
9 materials, and equipment. (Acts 59th Leg., R.S., Ch. 6, Sec. 8  
10 (part).)

11 Source Law

12 Sec. 8. The board of directors of the district  
13 shall have the power to prescribe the method and manner  
14 of making purchases and expenditures by and for the  
15 hospital district, and also shall prescribe all  
16 accounting and control procedures; the method of  
17 purchasing necessary supplies, materials and  
18 equipment; and . . . .

19 Revised Law

20 Sec. 1113.106. DISTRICT PROPERTY. (a) The board may sell or  
21 lease property owned by the district at public auction or at private  
22 sale, on terms the board may determine.

23 (b) The sale or lease of property and the terms of the sale  
24 or lease must be approved by a vote of at least three-fourths of the  
25 total number of directors. The vote must be recorded by resolution  
26 in the district's minutes.

27 (c) After the adoption of a resolution authorizing a sale or  
28 lease, the board shall hold a public hearing on the proposed sale or  
29 lease. Notice of the public hearing and the subject of the hearing  
30 must be published in the English language in a newspaper of general  
31 circulation in the district once a week for three consecutive weeks  
32 preceding the hearing. The last of the notices must be published  
33 not less than five days before the date set for the hearing.

34 (d) Not more than 10 days after the date of the public  
35 hearing, the board shall again vote on the proposed sale or lease as  
36 stated in the initial resolution. The sale or lease must be  
37 approved by a vote of at least three-fourths of the total number of

1 directors. The vote must be recorded in the district's minutes.

2 (e) Any transfer, lease, or sale of district property must  
3 be by an instrument signed by the board presiding officer and  
4 attested by the board secretary. (Acts 59th Leg., R.S., Ch. 6, Sec.  
5 4a.)

6 Source Law

7 Sec. 4a. The board of directors of the hospital  
8 district is specifically empowered to sell or lease  
9 properties owned by the hospital district, including  
10 personal property and real estate, at public auction  
11 or by private sale and on such terms and conditions as  
12 the board of directors may determine, subject to the  
13 following conditions: (A) the approval of the sale or  
14 lease of properties and the terms and conditions of  
15 such sale or lease shall be by a vote of at least  
16 three-fourths of the total number of directors on the  
17 board duly recorded by resolution upon the minutes of  
18 the district; and (B) after the adoption of a  
19 resolution authorizing the sale or lease, the board of  
20 directors shall hold a public hearing on the proposed  
21 sale or lease after having the notice of such public  
22 meeting and the subject thereof published in the  
23 English language once a week for three consecutive  
24 weeks preceding such hearing in a newspaper of general  
25 circulation in the hospital district, with the last of  
26 the notices to be not less than five days prior to the  
27 date set for the hearing; and (C) within 10 days after  
28 the public hearing, the board of directors shall again  
29 vote upon the proposed sale or lease as set forth in  
30 the initial resolution and the approval thereof shall  
31 be by a vote of three-fourths of the total number of  
32 directors on the board duly recorded upon the minutes  
33 of the district. Any transfer, lease, or sale of  
34 property of the district shall be by an instrument  
35 signed by the chairman and attested by the secretary of  
36 the board of directors.

37 Revisor's Note

38 (1) Section 4a, Chapter 6, Acts of the 59th  
39 Legislature, Regular Session, 1965, refers to "terms  
40 and conditions." The revised law omits "conditions"  
41 because "conditions" is included in the meaning of  
42 "terms."

43 (2) Section 4a, Chapter 6, Acts of the 59th  
44 Legislature, Regular Session, 1965, refers to  
45 "properties . . . including personal property and real  
46 estate." The revised law omits the reference to  
47 "personal property and real estate" because Section  
48 311.005(4), Government Code (Code Construction Act),  
49 applicable to the revised law, defines "property" to

1 mean real and personal property.

2 (3) Section 4a, Chapter 6, Acts of the 59th  
3 Legislature, Regular Session, 1965, refers to "duly"  
4 recording the votes of the directors in the minutes of  
5 the district. The revised law omits "duly" as  
6 unnecessary in this context because the word does not  
7 add to the clear meaning of the law.

8 Revised Law

9 Sec. 1113.107. EMINENT DOMAIN. (a) The district may  
10 exercise the power of eminent domain to acquire a fee simple or  
11 other interest in any type of property located in district  
12 territory, if the interest is necessary or convenient to exercise a  
13 right, power, privilege, or function conferred on the district by  
14 this chapter.

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

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

21 (1) pay in advance or provide a bond or other security  
22 for costs in the trial court;

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

25 (3) provide a bond for costs or a supersedeas bond on  
26 an appeal or petition for review. (Acts 59th Leg., R.S., Ch. 6,  
27 Sec. 10.)

28 Source Law

29 Sec. 10. The hospital district organized in  
30 pursuance of this Act shall have the right and power of  
31 eminent domain for the purpose of acquiring by  
32 condemnation any and all property, or any interest  
33 therein, including outright ownership of such property  
34 in fee simple absolute, within the boundaries of said  
35 district, necessary or convenient to the exercise of  
36 the rights, powers, privileges and functions conferred  
37 upon it by this Act, in the manner provided by General  
38 Law with respect to condemnation; provided that the  
39 said district shall not be required to make deposits in  
40 the registry of the trial court of the sum required by

1 paragraph Number 2 in Article 3268, Vernon's Civil  
2 Statutes, 1925, or to make the bond required therein.  
3 In condemnation proceedings being prosecuted by the  
4 said district, the district shall not be required to  
5 pay in advance or to give bond or other security for  
6 costs in the trial court, nor to give bond otherwise  
7 required for the issuance of a temporary restraining  
8 order or a temporary injunction relating to a  
9 condemnation proceeding, nor to give bond for costs or  
10 for supersedeas on any appeal or writ of error  
11 proceeding to any court of civil appeals or to the  
12 Supreme Court.

13 Revisor's Note

14 (1) Section 10, Chapter 6, Acts of the 59th  
15 Legislature, Regular Session, 1965, provides that the  
16 district has the "right and power of eminent domain for  
17 the purpose of acquiring [property] by condemnation."  
18 The revised law substitutes for the quoted language  
19 "may exercise the power of eminent domain to acquire  
20 [property]" because the phrases have the same meaning  
21 and the latter phrase is consistent with modern usage  
22 in laws relating to eminent domain.

23 (2) Section 10, Chapter 6, Acts of the 59th  
24 Legislature, Regular Session, 1965, provides that the  
25 district must exercise the power of eminent domain in  
26 the manner provided by "General Law with respect to  
27 condemnation." The revised law substitutes for the  
28 quoted language a reference to Chapter 21, Property  
29 Code, because that is the general law governing  
30 eminent domain for governmental entities.

31 (3) Section 10, Chapter 6, Acts of the 59th  
32 Legislature, Regular Session, 1965, refers to  
33 "paragraph Number 2 in Article 3268, Vernon's Civil  
34 Statutes, 1925." That statute was codified in 1983 as  
35 Section 21.021(a), Property Code, and the revised law  
36 is drafted accordingly.

37 (4) Section 10, Chapter 6, Acts of the 59th  
38 Legislature, Regular Session, 1965, provides that the  
39 district is not required to provide bond on any appeal  
40 or "writ of error proceeding" to "any court of civil

1 appeals or to the Supreme Court." The revised law  
2 substitutes "petition for review" for "writ of error"  
3 because, effective September 1, 1997, the Texas  
4 Supreme Court replaced the writ of error procedure  
5 with the petition for review procedure. See Rule 53.1,  
6 Texas Rules of Appellate Procedure. The revised law  
7 omits the references to the court of civil appeals (now  
8 court of appeals) and the supreme court because those  
9 are the only courts to which the district may appeal or  
10 with which the district may file a petition for review.

11 Revised Law

12 Sec. 1113.108. GIFTS AND ENDOWMENTS. The board may accept  
13 for the district a gift or endowment to be held in trust and  
14 administered by the board for the purposes and under the  
15 directions, limitations, or other provisions prescribed in writing  
16 by the donor that are not inconsistent with the proper management  
17 and objectives of the district. (Acts 59th Leg., R.S., Ch. 6, Sec.  
18 15.)

19 Source Law

20 Sec. 15. Said board of directors of the hospital  
21 district is authorized on behalf of said hospital  
22 district to accept donations, gifts and endowments for  
23 the hospital district to be held in trust and  
24 administered by the board of directors for such  
25 purposes and under such directions, limitations, and  
26 provisions as may be prescribed in writing by donor,  
27 not inconsistent with proper management and objects of  
28 hospital district.

29 Revisor's Note

30 Section 15, Chapter 6, Acts of the 59th  
31 Legislature, Regular Session, 1965, refers to  
32 "donations" and "gifts." The revised law omits  
33 "donations" because "donations" is included in the  
34 meaning of "gifts."

35 Revised Law

36 Sec. 1113.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
37 When a patient who claims to be indigent is admitted to a district  
38 facility, the board shall have an inquiry made into the

1 circumstances of:

2 (1) the patient; and

3 (2) the patient's relatives legally liable for the  
4 patient's support.

5 (b) If an agent designated by the district to handle the  
6 inquiry determines that the patient or those relatives cannot pay  
7 for all or part of the patient's care and treatment in the hospital,  
8 the amount that cannot be paid becomes a charge against the  
9 district.

10 (c) If it is determined that the patient or those relatives  
11 are liable to pay for all or part of the patient's care and  
12 treatment, the patient or those relatives shall be ordered to pay to  
13 the district's treasurer a specified amount each week for the  
14 patient's support. The amount ordered must be proportionate to  
15 their financial ability and may not exceed the actual per capita  
16 cost of maintenance.

17 (d) The district may collect the amount from the patient's  
18 estate, or from those relatives legally liable for the patient's  
19 support, in the manner provided by law for the collection of  
20 expenses of the last illness of a deceased person.

21 (e) If there is a dispute as to the ability to pay or doubt  
22 in the mind of the district's designated agent, the board shall hold  
23 a hearing and, after calling witnesses, shall:

24 (1) resolve the dispute or doubt; and

25 (2) issue any appropriate order.

26 (f) The order may be appealed to the district court. (Acts  
27 59th Leg., R.S., Ch. 6, Sec. 14.)

28 Source Law

29 Sec. 14. Whenever a patient claiming indigence  
30 has been admitted to the facilities of the hospital  
31 district, the directors shall cause inquiry to be made  
32 as to his circumstances, and of the relatives of such  
33 patient legally liable for his support. If it is found  
34 that such patient or said relatives are liable to pay  
35 for his care and treatment in whole or in part, an  
36 order shall be made directing such patient, or said  
37 relatives, to pay to the treasurer of the hospital  
38 district for the support of such patient a specified  
39 sum per week, in proportion to their financial  
40 ability, but such sum shall not exceed the actual per



1 [Sections 1113.111-1113.150 reserved for expansion]

2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3 Revised Law

4 Sec. 1113.151. BUDGET. The board annually shall have a  
5 budget prepared for the next fiscal year that includes:

- 6 (1) proposed expenditures and disbursements;  
7 (2) estimated receipts and collections; and  
8 (3) the amount of taxes required to be imposed for the  
9 year. (Acts 59th Leg., R.S., Ch. 6, Sec. 9 (part).)

10 Source Law

11 Sec. 9. . . . The board of directors shall each  
12 year cause a 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 . . . . The proposed budget shall also show the  
16 amount of taxes required to be levied and collected  
17 during such fiscal year and . . . .

18 Revisor's Note

19 Section 9, Chapter 6, Acts of the 59th  
20 Legislature, Regular Session, 1965, refers to the levy  
21 and collection of a tax. The revised law substitutes  
22 "imposed" because "impose" is the term generally used  
23 in Title 1, Tax Code, and includes the levy and  
24 collection of an ad valorem tax.

25 Revised Law

26 Sec. 1113.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)  
27 The board shall hold a public hearing on the proposed budget.

28 (b) Notice of the hearing must be published at least once in  
29 a newspaper of general circulation in Wilbarger County not later  
30 than the 10th day before the date of the hearing.

31 (c) Any district taxpayer is entitled to:

32 (1) appear at the time and place designated in the  
33 notice; and

34 (2) be heard regarding any item included in the  
35 proposed budget. (Acts 59th Leg., R.S., Ch. 6, Sec. 9 (part).)

36 Source Law

37 Sec. 9. . . . [The board of directors] . . .  
38 shall hold a public hearing on the proposed budget

1 after publication of a notice of hearing in a newspaper  
2 of general circulation in the county at least once not  
3 less than ten (10) days prior to the date set for the  
4 hearing. Any person who is a taxpayer of the district  
5 shall have the right to appear at the time and place  
6 designated in the notice and be heard with reference to  
7 any item shown in the proposed budget. . . .

8 Revised Law

9 Sec. 1113.153. FISCAL YEAR. The district's fiscal year  
10 begins on October 1 and ends on September 30. (Acts 59th Leg.,  
11 R.S., Ch. 6, Sec. 9 (part).)

12 Source Law

13 Sec. 9. The fiscal year of the hospital district  
14 authorized to be established by the provisions hereof  
15 shall commence on October 1st of each year and end on  
16 September 30th of the following year. . . .

17 Revised Law

18 Sec. 1113.154. ANNUAL AUDIT. (a) The board annually shall  
19 have an independent audit made of the district's books and records  
20 for the preceding fiscal year.

21 (b) Not later than December 31 each year, the audit shall be  
22 filed:

23 (1) with the comptroller; and

24 (2) at the district's office. (Acts 59th Leg., R.S.,  
25 Ch. 6, Sec. 9 (part).)

26 Source Law

27 Sec. 9. . . . The district directors shall  
28 cause an annual independent audit to be made of the  
29 books and records of the district, such audit to be  
30 made covering such fiscal year, and the same shall be  
31 filed with the Comptroller of Public Accounts of the  
32 State of Texas and at the office of the district not  
33 later than December 31st of each year. . . .

34 Revisor's Note

35 Section 9, Chapter 6, Acts of the 59th  
36 Legislature, Regular Session, 1965, refers to "the  
37 Comptroller of Public Accounts of the State of Texas."  
38 The revised law substitutes "comptroller" for the  
39 quoted language because Section 403.001, Government  
40 Code, defines "comptroller" in any state statute to  
41 mean the comptroller of public accounts of the State of  
42 Texas.

1 Revised Law

2 Sec. 1113.155. DEPOSITORY OR TREASURER. (a) The board by  
3 resolution shall designate a bank or banks in Wilbarger County as  
4 the district's depository or treasurer. A designated bank serves  
5 for two years and until a successor is designated.

6 (b) All income received by the district shall be deposited  
7 with the district depository.

8 (c) All district money shall be secured in the manner  
9 provided for securing county funds. (Acts 59th Leg., R.S., Ch. 6,  
10 Secs. 5 (part), 11.)

11 Source Law

12 Sec. 5. . . . [shall be deposited in the  
13 district depository and] . . . . All other income of  
14 the hospital district shall be deposited in like  
15 manner with the district depository. . . .

16 Sec. 11. Within thirty (30) days after  
17 appointment and qualification of the board of  
18 directors of the hospital district, the said directors  
19 shall by resolution designate a bank or banks within  
20 Wilbarger County as the district's depository or  
21 treasurer and all funds of the district shall be  
22 secured in the manner now provided for the security of  
23 county funds. The depository shall serve for a period  
24 of two (2) years and until a successor has been named.

25 Revisor's Note

26 Section 11, Chapter 6, Acts of the 59th  
27 Legislature, Regular Session, 1965, requires the board  
28 to select a depository or treasurer "[w]ithin thirty  
29 (30) days after appointment and qualification of the  
30 board of directors of the hospital district." The  
31 revised law omits the quoted language as executed.

32 [Sections 1113.156-1113.200 reserved for expansion]

33 SUBCHAPTER E. BONDS

34 Revised Law

35 Sec. 1113.201. GENERAL OBLIGATION BONDS. The board may  
36 issue and sell general obligation bonds in the name and on the faith  
37 and credit of the district for any purpose relating to the purchase,  
38 construction, acquisition, repair, or renovation of buildings and  
39 improvements and equipping buildings and improvements for hospital  
40 purposes. (Acts 59th Leg., R.S., Ch. 6, Sec. 6 (part).)



1 Legislature, Regular Session, 1965, requires the  
2 district to impose a tax to pay the principal of and  
3 interest on bonds. The revised law specifies that the  
4 tax is an "ad valorem" tax because it is clear from the  
5 source law that the tax is a property tax. Section  
6 1(b), Article VIII, Texas Constitution, requires all  
7 property that is taxed to be taxed in proportion to its  
8 value, and accordingly "ad valorem" tax is the term  
9 most commonly used in Texas law to refer to a tax on  
10 property.

11 Revised Law

12 Sec. 1113.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
13 district may issue general obligation bonds only if the bonds are  
14 authorized by a majority of the district voters voting at an  
15 election held for that purpose.

16 (b) The board may order a bond election on its own motion.

17 (c) The order must specify:

- 18 (1) the location of the polling places;
- 19 (2) the presiding election officers;
- 20 (3) the purpose for which the bonds are to be issued;
- 21 (4) the amount of the bonds to be authorized;
- 22 (5) the maximum interest rate of the bonds; and
- 23 (6) the maximum maturity date of the bonds.

24 (d) Notice of a bond election shall be given by publishing a  
25 substantial copy of the order in a newspaper of general circulation  
26 in Wilbarger County once each week for two consecutive weeks before  
27 the date of the election. The first publication must occur at least  
28 14 days before the date of the election. (Acts 59th Leg., R.S., Ch.  
29 6, Sec. 6 (part).)

30 Source Law

31 Sec. 6. . . . No bonds shall be issued by the  
32 hospital district . . . until authorized by a majority  
33 vote of the legally qualified property taxpaying  
34 electors, residing in the hospital district, voting at  
35 an election called and held for such purpose. Such  
36 election may be called by the board of directors on its  
37 own motion, shall specify the place or places where the  
38 election shall be held, the presiding officers









1 theretofore issued by such hospital district; such  
2 refunding bonds may be sold and the proceeds thereof  
3 applied to the payment of any such outstanding bonds or  
4 may be exchanged in whole or in part for not less than a  
5 like amount of said outstanding bonds and interest  
6 matured thereon, but unpaid; . . . .

7 Revisor's Note

8 Section 6, Chapter 6, Acts of the 59th  
9 Legislature, Regular Session, 1965, provides that  
10 refunding bonds may not bear interest at a rate that,  
11 when calculated in accordance with recognized standard  
12 bond interest cost tables, exceeds the average annual  
13 interest cost of the bonds to be refunded unless the  
14 total interest cost on the refunding bonds is less than  
15 the total interest cost on the bonds to be refunded.  
16 Section 6 also provides that any premium required to be  
17 paid on the bonds to be refunded before the bonds'  
18 maturity date is to be used in computing the total  
19 interest cost of the refunding bonds. The revised law  
20 omits that provision as superseded by Section  
21 1207.008, Government Code. Section 1207.008,  
22 Government Code, establishes the financial terms under  
23 which refunding bonds may be issued. Section 1207.008  
24 applies to district bonds by application of Section  
25 1207.001, Government Code. The omitted law reads:

26 Sec. 6. . . . provided the average  
27 interest cost per annum on the refunding  
28 bonds, computed in accordance with  
29 recognized standard bond interest cost  
30 tables, shall not exceed the average  
31 interest cost per annum so computed, upon  
32 the bonds to be discharged out of the  
33 proceeds of the refunding bonds, unless the  
34 total interest cost on the refunding bonds,  
35 computed to their respective maturity  
36 dates, is less than the total interest cost  
37 so computed on the bonds to be discharged  
38 out of such proceeds. In the foregoing  
39 computations, any premium or premiums  
40 required to be paid upon the bonds to be  
41 refunded as a condition to payment in  
42 advance of their stated maturity dates  
43 shall be taken into account as an addition  
44 to the net interest cost to the hospital  
45 district of the refunding bonds.



1 authorized investments for banks, savings  
2 banks, trust companies, building and loan  
3 associations, insurance companies,  
4 fiduciaries, trustees, guardians, and for  
5 the sinking funds of cities, towns,  
6 villages, counties, school districts, or  
7 other political corporations or  
8 subdivisions of the State of Texas; and  
9 . . . .

10 (2) Section 16, Chapter 6, Acts of the 59th  
11 Legislature, Regular Session, 1965, provides that  
12 district bonds may secure deposits. Although Section  
13 16 does not specifically mention the deposits the  
14 bonds are eligible to secure, the only deposits they  
15 could secure would be deposits of public funds of this  
16 state or political subdivisions of this state. As  
17 such, the revised law omits the provision as impliedly  
18 repealed by Section 404.0221, Government Code (enacted  
19 in 1995), which lists eligible collateral for deposits  
20 of state funds by the comptroller, and by Chapter 2257,  
21 Government Code (enacted in 1989 as Article 2529d,  
22 Vernon's Texas Civil Statutes), which governs eligible  
23 collateral for deposits of funds of other public  
24 agencies, including political subdivisions, and  
25 permits those deposits to be secured by obligations  
26 issued by hospital districts. The omitted law reads:

27 Sec. 16. . . . such bonds shall be  
28 lawful and sufficient security for deposits  
29 to the extent of their face value when  
30 accompanied by all unmatured coupons  
31 appurtenant thereto.

32 [Sections 1113.207-1113.250 reserved for expansion]

33 SUBCHAPTER F. TAXES

34 Revised Law

35 Sec. 1113.251. IMPOSITION OF AD VALOREM TAX. (a) On final  
36 approval of the budget, the board shall impose a tax on all taxable  
37 property in the district subject to district taxation.

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

39 (1) pay the interest on and create a sinking fund for  
40 bonds issued by the district for hospital purposes as provided by  
41 this chapter;

1 (2) provide for the maintenance and operations of the  
2 hospital or hospital system;

3 (3) make improvements and additions to the hospital  
4 system; and

5 (4) acquire necessary sites for the hospital system by  
6 purchase, lease, or condemnation. (Acts 59th Leg., R.S., Ch. 6,  
7 Secs. 5 (part), 9 (part).)

8 Source Law

9 Sec. 5. Upon the creation of such hospital  
10 district, the board of directors shall have the power  
11 and authority and it shall be their duty to levy on all  
12 property subject to hospital district taxation for the  
13 benefit of the district . . . a tax . . . for the  
14 purpose of: (1) paying the interest on and creating a  
15 sinking fund for bonds which may be issued by the  
16 hospital district for hospital purposes as herein  
17 provided; (2) providing for the operation and  
18 maintenance of the hospital or hospital system; and  
19 (3) for the purpose of making further improvements and  
20 additions to the hospital system, and for the  
21 acquisition of necessary sites therefor, by purchase,  
22 lease or condemnation. . . . the board of directors  
23 shall levy the tax on all taxable property within the  
24 district which is subject to taxation and . . . .

25 Sec. 9. . . . upon final approval of the budget,  
26 the board of directors shall levy such tax as may be  
27 required and . . . .

28 Revisor's Note

29 (1) Section 5, Chapter 6, Acts of the 59th  
30 Legislature, Regular Session, 1965, provides that  
31 "[u]pon the creation of such hospital district," the  
32 board shall impose taxes. The revised law omits the  
33 quoted language as executed.

34 (2) Section 5, Chapter 6, Acts of the 59th  
35 Legislature, Regular Session, 1965, requires the board  
36 to impose taxes at a certain time and in a certain  
37 manner. The revised law omits those provisions  
38 because they were repealed by Section 6(b), Chapter  
39 841, Acts of the 66th Legislature, Regular Session,  
40 1979, which repealed all "general, local, and special  
41 laws" that conflicted with that act. The 1979 act  
42 enacted the Property Tax Code (Title 1, Tax Code), a  
43 comprehensive, substantive codification of property

1 tax law. Title 1, Tax Code, provides the exclusive  
2 procedures for the imposition and collection of  
3 property taxes by a taxing unit, including a hospital  
4 district. The omitted law reads:

5 Sec. 5. . . . [the board of directors  
6 shall have the power and authority and it  
7 shall be their duty to levy on all property  
8 subject to hospital district taxation for  
9 the benefit of the district] at the same  
10 time taxes are levied for county purposes,  
11 using the county values and the county tax  
12 rolls, [a tax] . . . . Not later than  
13 October 1st of each year, [the board of  
14 directors shall levy the tax] . . . . [The  
15 tax so levied shall be collected] . . . on  
16 the county tax values, and in the same  
17 manner and under the same conditions as  
18 county taxes. . . .

19 (3) Sections 5 and 9, Chapter 6, Acts of the 59th  
20 Legislature, Regular Session, 1965, require the board  
21 to levy the tax and to certify the tax rate to the  
22 Wilbarger County tax assessor-collector. The revised  
23 law omits those provisions because Section 26.05(a),  
24 Tax Code, requires the governing body of a taxing unit  
25 to adopt a tax rate for the current tax year and to  
26 notify the tax assessor for the taxing unit of that  
27 rate. The omitted law reads:

28 Sec. 5. . . . [the board of  
29 directors] . . . shall immediately certify  
30 such tax rate to the tax assessor and  
31 collector of Wilbarger County. . . .

32 Sec. 9. . . . [the board of directors  
33 shall] . . . certify the tax rate for such  
34 year to the county tax assessor and  
35 collector as provided in Section 5 hereof,  
36 and . . . .

37 Revised Law

38 Sec. 1113.252. TAX RATE. Unless the rate is increased as  
39 provided by Section 1113.253, the board may impose the tax at a rate  
40 not to exceed 50 cents on each \$100 valuation of all taxable  
41 property in the district. (Acts 59th Leg., R.S., Ch. 6, Sec. 5  
42 (part).)

43 Source Law

44 Sec. 5. . . . [a tax] of not to exceed Fifty  
45 Cents (50¢) on the One Hundred Dollars (\$100)

1 valuation of all taxable property within the hospital  
2 district, . . . .

3 Revised Law

4 Sec. 1113.253. ELECTION TO INCREASE MAXIMUM TAX RATE. The  
5 board may call an election to increase the district's maximum tax  
6 rate to a rate not to exceed 75 cents on each \$100 valuation of all  
7 taxable property in the district if the board determines that an  
8 increase is necessary to carry out the purposes for which the  
9 initial tax rate was authorized. (Acts 59th Leg., R.S., Ch. 6, Sec.  
10 7 (part).)

11 Source Law

12 Sec. 7. The board of directors shall have the  
13 authority to call an election on the question of  
14 whether or not the tax hereinabove provided for shall  
15 be increased to a specified rate not to exceed  
16 Seventy-Five Cents (75¢) on the One Hundred Dollars  
17 (\$100) valuation of all taxable property within the  
18 hospital district, if and when the board of directors  
19 determines that an increase in such tax rate is  
20 necessary to carry out the purposes for which the  
21 initial tax rate was authorized. . . .

22 Revisor's Note

23 Section 7, Chapter 6, Acts of the 59th  
24 Legislature, Regular Session, 1965, provides that the  
25 election to increase the maximum tax rate must be held  
26 in the same manner as the election for the levy of the  
27 initial tax. The procedures for holding the election  
28 on the creation of the district and the imposition of  
29 the initial tax are omitted from the revised law for  
30 the reason stated in the revisor's note at the end of  
31 Subchapter A. It is clear from the context of the  
32 omitted provisions that the specified procedures would  
33 not comply with applicable provisions prescribed by  
34 the Election Code in relation to an election to  
35 increase the maximum tax rate. Because Section 1.002,  
36 Election Code, states that the Election Code applies  
37 to all elections held in this state, it is unnecessary  
38 to substitute a reference to the Election Code for the  
39 omitted law. The omitted law reads:

40 Sec. 7. . . . Said election shall be

1 held in the same manner as the election for  
2 the creation of the district and the levy of  
3 the initial tax as hereinabove provided.

4 Revised Law

5 Sec. 1113.254. TAX ASSESSOR-COLLECTOR. The tax  
6 assessor-collector of Wilbarger County shall assess and collect  
7 taxes imposed by the district. (Acts 59th Leg., R.S., Ch. 6, Secs.  
8 5 (part), 9 (part).)

9 Source Law

10 Sec. 5. . . . The tax so levied shall be  
11 collected on all property subject to hospital district  
12 taxation by the assessor and collector of taxes for the  
13 county . . . .

14 Sec. 9. . . . [the county tax assessor and  
15 collector as provided in Section 5 hereof, and] it  
16 shall be the duty of the said tax assessor and  
17 collector to assess and collect such tax.

18 Revisor's Note

19 (1) Section 5, Chapter 6, Acts of the 59th  
20 Legislature, Regular Session, 1965, provides that the  
21 tax assessor-collector shall charge a fee for the  
22 assessment and collection of district taxes. The  
23 revised law omits that provision because it was  
24 repealed by Section 6(b), Chapter 841, Acts of the 66th  
25 Legislature, Regular Session, 1979. See Revisor's  
26 Note (2) to Section 1113.251. Section 6.27(b), Tax  
27 Code, provides for the compensation of a county tax  
28 assessor-collector assessing and collecting taxes for  
29 another taxing unit. The omitted law reads:

30 Sec. 5. . . . The assessor and  
31 collector of taxes shall charge and deduct  
32 from payments to the hospital district the  
33 fees for assessing and collecting the tax at  
34 the rate of not exceeding one per cent (1%)  
35 of the amounts collected as may be  
36 determined by the board of directors but in  
37 no event in excess of Five Thousand Dollars  
38 (\$5,000) for any one (1) fiscal year. Such  
39 fees shall be deposited in the county's  
40 general fund, and shall be reported as fees  
41 of office of the tax assessor and  
42 collector. . . .

43 (2) Section 5, Chapter 6, Acts of the 59th  
44 Legislature, Regular Session, 1965, provides that  
45 interest and penalties on district taxes and discounts

1 are the same as for county taxes. The revised law  
2 omits that provision because it was repealed by  
3 Section 6(b), Chapter 841, Acts of the 66th  
4 Legislature, Regular Session, 1979. See Revisor's  
5 Note (2) to Section 1113.251. Chapter 33, Tax Code,  
6 provides for the assessment of penalties and interest  
7 on delinquent taxes, and Section 31.05, Tax Code,  
8 provides for discounts on the early payment of taxes.  
9 The omitted law reads:

10           Sec. 5. . . . Interest and penalties  
11           on taxes paid to the hospital district shall  
12           be the same as in the case of county taxes.  
13           Discounts shall be the same as for county  
14           taxes. . . .

15           (3) Section 5, Chapter 6, Acts of the 59th  
16           Legislature, Regular Session, 1965, provides that tax  
17           revenue shall be deposited in the district's  
18           depository and may be withdrawn only as provided by the  
19           act. The revised law omits the provision regarding the  
20           deposit of tax revenue because Section 31.10, Tax  
21           Code, requires the tax collector for a taxing unit to  
22           deposit taxes collected for the unit in the unit's  
23           depository. The revised law omits the provision  
24           regarding withdrawal of tax revenue because the  
25           provisions of this chapter regarding the expenditure  
26           of district money apply according to their own terms.  
27           The omitted law reads:

28           Sec. 5. . . . The residue of tax  
29           collections, after deduction of discounts  
30           and fees for assessing and collecting,  
31           shall be deposited in the district  
32           depository and such funds shall be  
33           withdrawn only as provided herein. . . .

34                           Revisor's Note  
35                           (End of Subchapter)

36           Section 5, Chapter 6, Acts of the 59th  
37           Legislature, Regular Session, 1965, provides that the  
38           board may impose taxes for the entire year in which the  
39           district is established. The revised law omits the

1 provision as executed. The omitted law reads:

2 Sec. 5. . . . The board of directors  
3 shall have the authority to levy the tax  
4 aforesaid for the entire year in which the  
5 said hospital district is established for  
6 the purpose of securing funds to initiate  
7 the operation of the hospital district.

8 Revisor's Note  
9 (End of Chapter)

10 (1) Section 18, Chapter 6, Acts of the 59th  
11 Legislature, Regular Session, 1965, provides in part  
12 that the act is severable. The revised law omits that  
13 provision because the same result is produced by  
14 application of Section 311.032, Government Code (Code  
15 Construction Act), which provides that a provision of  
16 a statute is severable from each other provision of the  
17 statute that can be given effect. The omitted law  
18 reads:

19 Sec. 18. . . . If any of the  
20 provisions of this Act should be invalid,  
21 such fact shall not affect the  
22 authorization for the creation of the  
23 district or the validity of any other  
24 provision of this Act, and the Legislature  
25 here declares that it would have created the  
26 district and enacted the valid provisions  
27 of this Act notwithstanding the invalidity  
28 of any other provision or provisions  
29 hereof.

30 (2) Section 19, Chapter 6, Acts of the 59th  
31 Legislature, Regular Session, 1965, provides that  
32 public notice of the enactment of the statute was  
33 provided in a manner that satisfies the requirements  
34 of the Texas Constitution. The revised law omits this  
35 provision as executed. The omitted law reads:

36 Sec. 19. The Legislature hereby  
37 finds affirmatively that thirty (30) days'  
38 public notice was duly given in accordance  
39 with the provisions of Article IX, Section 9  
40 of the Constitution of the State of Texas,  
41 of the intention to apply to this  
42 Legislature to enact a law providing for the  
43 creation, establishment, maintenance and  
44 operation of the Wilbarger County Hospital  
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20 CHAPTER 1114. WILLACY COUNTY HOSPITAL DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Revised Law

23 Sec. 1114.001. DEFINITIONS. In this chapter:

24 (1) "Board" means the board of directors of the  
25 district.

26 (2) "Commissioners court" means the Commissioners  
27 Court of Willacy County.

28 (3) "Director" means a member of the board.

29 (4) "District" means the Willacy County Hospital  
30 District. (Acts 62nd Leg., R.S., Ch. 323, Sec. 1 (part); New.)

31 Source Law

32 Sec. 1. . . . "Willacy County Hospital  
33 District," herein referred to as "district," . . . .

34 Revisor's Note

35 The definitions of "board," "commissioners

1 court," and "director" are added to the revised law  
2 for drafting convenience and to eliminate frequent,  
3 unnecessary repetition of the substance of the  
4 definitions.

5 Revised Law

6 Sec. 1114.002. AUTHORITY FOR OPERATION. The Willacy County  
7 Hospital District operates in accordance with Section 9, Article  
8 IX, Texas Constitution, and has the rights, powers, and duties  
9 provided by this chapter. (Acts 62nd Leg., R.S., Ch. 323, Sec. 1  
10 (part).)

11 Source Law

12 Sec. 1. In accordance with the provisions of  
13 Article IX, Section 9 of the Constitution of the State  
14 of Texas, this Act shall be operative so as to  
15 authorize the creation, establishment, maintenance  
16 and operation of a hospital district within this State  
17 . . . to be known as "Willacy County Hospital  
18 District," . . . with such rights, powers and duties  
19 as provided in this Act.

20 Revisor's Note

21 Section 1, Chapter 323, Acts of the 62nd  
22 Legislature, Regular Session, 1971, authorizes the  
23 "creation, establishment, maintenance and operation"  
24 of the district. The revised law omits "creation" and  
25 "establishment" as executed. The revised law omits  
26 "maintenance" because, in this context, the meaning of  
27 that term is included in the meaning of "operation."

28 Revised Law

29 Sec. 1114.003. ESSENTIAL PUBLIC FUNCTION. The district  
30 performs an essential public function in carrying out the purposes  
31 of this chapter. (Acts 62nd Leg., R.S., Ch. 323, Sec. 20 (part).)

32 Source Law

33 Sec. 20. In carrying out the purposes of this  
34 Act, the district will be performing an essential  
35 public function and . . . .

36 Revised Law

37 Sec. 1114.004. DISTRICT TERRITORY. The boundaries of the  
38 district are coextensive with the boundaries of Willacy County,  
39 Texas. (Acts 62nd Leg., R.S., Ch. 323, Sec. 1 (part).)



1 construction, maintenance, or improvement of a district facility.  
2 (Acts 62nd Leg., R.S., Ch. 323, Sec. 19 (part).)

3 Source Law

4 Sec. 19. . . . nor shall any direct  
5 appropriation be made by the Legislature of the State  
6 of Texas for the construction, maintenance, or  
7 improvement of any of the facilities of the district.

8 Revisor's Note  
9 (End of Subchapter)

10 Section 3, Chapter 323, Acts of the 62nd  
11 Legislature, Regular Session, 1971, provides  
12 procedures for holding an election on the creation of  
13 the district and the imposition of an ad valorem tax.  
14 This section was amended by Chapter 1117, Acts of the  
15 70th Legislature, Regular Session, 1987. That  
16 amendment added a provision requiring the board to  
17 order an election on the question of raising the rate  
18 of the ad valorem tax to a "rate not to exceed 15 cents  
19 on each \$100 valuation" on all taxable property in the  
20 district subject to hospital district taxation and  
21 that the election be held using the procedures for the  
22 election held on the creation of the district. Because  
23 the creation of the district and the imposition of the  
24 initial tax were approved at the election, and because  
25 the increase in the rate of the ad valorem tax to the  
26 maximum allowed rate was approved at a subsequent  
27 election, the revised law omits these provisions as  
28 executed. The omitted law reads:

29 Sec. 3. (a) The district shall not  
30 be created, nor shall any tax therein be  
31 authorized unless and until such creation  
32 and such tax are approved by a majority of  
33 the qualified voters of the area of the  
34 proposed district voting at an election  
35 called for that purpose. Such election may  
36 be called by the Commissioners Court of  
37 Willacy County upon its own motion or shall  
38 be called by said Commissioners Court upon  
39 presentation to it of a petition therefor  
40 signed by at least 100 qualified voters of  
41 the area of the proposed district. Such  
42 election shall be held not less than 45 nor  
43 more than 90 days from the date the election  
44 is ordered. The order calling the election

1 shall specify the date, place or places of  
2 holding the election, the form of the  
3 ballot, the presiding judge and alternate  
4 judge for each voting place, and provide for  
5 clerks as in county elections. The election  
6 order shall provide that each  
7 Commissioner's precinct in Willacy County  
8 shall constitute one election precinct.  
9 Notice of election shall be given by  
10 publishing a substantial copy of the  
11 election order in newspaper or newspapers  
12 which individually or collectively provide  
13 general circulation in the county or  
14 district once a week for two consecutive  
15 weeks, the first publication to appear at  
16 least 30 days prior to the date established  
17 for the election. The failure of such  
18 election shall not operate to prohibit the  
19 calling and holding of subsequent elections  
20 for the same purpose; provided, however,  
21 that no district election for confirmation  
22 shall be held within 12 months after any  
23 preceding district election for  
24 confirmation.

25 (b) At the time of the election to  
26 create the district and to elect directors,  
27 there shall be submitted to the legally  
28 qualified voters of the area of the proposed  
29 district the proposition of whether the  
30 hospital district shall be created with the  
31 authority to levy annual taxes at a rate as  
32 follows:

33 (1) Six cents on the One Hundred  
34 Dollar (\$100) valuation of all taxable  
35 property situated within the district,  
36 subject to hospital district taxation, for  
37 a period not to exceed four years, for the  
38 purpose of purchase, construction,  
39 acquisition, repair, or renovation of a  
40 hospital building within the district and  
41 providing facilities therein. The board  
42 may use the proceeds of this tax for the  
43 paying of the interest on and the creating  
44 of a sinking fund for bonds issued under the  
45 provisions of this Act, and for the purpose  
46 of paying off warrants, bonds, or other  
47 obligations of the district incurred in  
48 connection with the construction and  
49 acquisition of facilities and equipment  
50 under the purposes of this Act.

51 (2) Two cents on the One Hundred  
52 Dollar (\$100) valuation of taxable property  
53 situated within the district subject to  
54 hospital district taxation for the purpose  
55 of meeting the requirements of the  
56 district's maintenance and operation  
57 expenses, and the district's expenses in  
58 connection with the care of the indigent,  
59 provided however, the total tax rate for  
60 hospital district purposes may be increased  
61 to . . . upon the approval of a majority of  
62 the qualified voters in the district voting  
63 in an election called and held for this  
64 purpose. The board of directors shall order  
65 an election on the question of increasing  
66 the rate to be held on the January uniform  
67 date prescribed by the Election Code.  
68 Except as otherwise provided by this  
69 subsection, the election shall be ordered

1 and notice of the election shall be given in  
2 the same manner as provided by Subsection  
3 (a) of this section for ordering and giving  
4 notice of an election authorizing creation  
5 of the district. The ballot for the  
6 election must be printed to permit voting  
7 for or against the proposition: "The levy of  
8 annual taxes by the board of directors of  
9 the Willacy County Hospital District for  
10 hospital and health care purposes at a rate  
11 not to exceed 15 cents on each \$100  
12 valuation on all taxable property in the  
13 district subject to hospital district  
14 taxation." The board of directors shall  
15 meet and canvass the returns of the  
16 election. If the board finds that the  
17 election results are favorable to the  
18 proposition, the board may levy taxes as  
19 authorized by the proposition. If the board  
20 finds that the election results are not  
21 favorable to the proposition, another  
22 election on the question of raising the  
23 amount of taxes that may be levied may not  
24 be called and held before the first  
25 anniversary of the most recent election at  
26 which voters disapproved the proposition.

27 [Sections 1114.008-1114.050 reserved for expansion]

28 SUBCHAPTER B. DISTRICT ADMINISTRATION

29 Revised Law

30 Sec. 1114.051. BOARD ELECTION; TERM. (a) The district is  
31 governed by a board of nine directors elected as follows:

32 (1) two directors elected from each commissioners  
33 precinct; and

34 (2) one director elected from the district at large.

35 (b) The two candidates receiving the most votes from a  
36 commissioners precinct are the directors for that precinct. The  
37 candidate receiving the most votes from the district at large is the  
38 director for the district at large.

39 (c) Unless four-year terms are established under Section  
40 285.081, Health and Safety Code:

41 (1) directors serve staggered two-year terms with:

42 (A) the terms of the directors elected from  
43 odd-numbered precincts and the term of the director from the  
44 district at large expiring each even-numbered year; and

45 (B) the terms of the directors elected from  
46 even-numbered precincts expiring each odd-numbered year; and

47 (2) an election shall be held on an authorized uniform

1 election date each year to elect the appropriate number of  
2 directors. (Acts 62nd Leg., R.S., Ch. 323, Secs. 4(a), (c).)

3 Source Law

4 Sec. 4. (a) The district is governed by a  
5 nine-member board of directors. Two members are  
6 elected from each commissioner precinct and one member  
7 is elected from the district at large. The two  
8 candidates receiving the most votes from a  
9 commissioner precinct are the directors for that  
10 precinct, and the candidate receiving the most votes  
11 from the district at large is the director for the  
12 district at large. Directors serve for staggered terms  
13 of two years and until their successors are elected and  
14 qualified. The terms of the directors elected from  
15 odd-numbered precincts and the term of the director  
16 from the district at large expire each even-numbered  
17 year, and the terms of the directors elected from  
18 even-numbered precincts expire each odd-numbered  
19 year.

20 (c) Every year, on the January uniform election  
21 date, an election shall be held for the purpose of  
22 electing the appropriate number of directors to the  
23 board.

24 Revisor's Note

25 (1) Section 4(a), Chapter 323, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides that  
27 directors serve two-year terms. Section 285.081,  
28 Health and Safety Code, applicable to this district,  
29 provides a mechanism by which the governing board of a  
30 hospital district, on its own motion, may order that  
31 directors are to be elected in even-numbered years to  
32 serve staggered four-year terms. The revised law is  
33 drafted accordingly and adds a reference to Section  
34 285.081, Health and Safety Code, for the convenience  
35 of the reader.

36 (2) Section 4(a), Chapter 323, Acts of the 62nd  
37 Legislature, Regular Session, 1971, provides that the  
38 directors serve "until their successors are elected  
39 and qualified." The revised law omits that provision  
40 because it duplicates Section 17, Article XVI, Texas  
41 Constitution, which provides that an officer in this  
42 state is to continue to perform the officer's official  
43 duties until a successor has qualified.





1 least 10 voters at least 30 days before the date of the  
2 election to have the candidate's name appear on the  
3 ballot. Under Section 144.003, Election Code  
4 (applicable to the district under Section 144.001,  
5 Election Code), a candidate for office must submit an  
6 application for a place on the ballot. The application  
7 must be filed by the deadline imposed by Section  
8 144.005, Election Code, which is either 71 or 78 days  
9 before the date of the election, depending on when the  
10 election is held. Because the petition serves as an  
11 additional requirement for a candidate to appear on  
12 the ballot, the revised law conforms the date the  
13 petition must be filed to the date the application must  
14 be filed.

15 Revised Law

16 Sec. 1114.054. QUALIFICATIONS FOR OFFICE. (a) To qualify  
17 for election to the board, a person must be:

- 18 (1) a resident of the district; and  
19 (2) a qualified voter.

20 (b) In addition to the qualifications required by  
21 Subsection (a), a person who is elected from a commissioners  
22 precinct or who is appointed to fill a vacancy for a commissioners  
23 precinct must be a resident of that commissioners precinct.

24 (c) A person is not eligible to serve as a director if the  
25 person is:

- 26 (1) the district administrator;  
27 (2) a district employee;  
28 (3) a member of the hospital staff; or  
29 (4) an employee of a member of the hospital staff.

30 (Acts 62nd Leg., R.S., Ch. 323, Secs. 4(b), (f).)

31 Source Law

32 (b) To qualify for election to the board a  
33 person must be a qualified voter and a resident of the  
34 district. In addition, a person who is elected from a  
35 commissioner precinct or who is appointed to fill a  
36 vacancy for a commissioner precinct must be a resident  
37 of that commissioner precinct.

1 (f) Neither the administrator, or employees of  
2 the district, nor a member of the staff thereof or  
3 employee of a member of the staff of the hospital shall  
4 be eligible to serve as a director.

5 Revised Law

6 Sec. 1114.055. OATH; BOND; RECORD OF BOND. (a) A person  
7 elected to the board shall qualify for office by executing:

8 (1) a written oath; and

9 (2) a good and sufficient surety bond for \$5,000 that  
10 is:

11 (A) in the form prescribed by the board;

12 (B) payable to the district; and

13 (C) conditioned on the faithful performance of  
14 the director's duties.

15 (b) Each director's bond shall be kept in the district's  
16 permanent records.

17 (c) The board may pay for directors' bonds with district  
18 funds. (Acts 62nd Leg., R.S., Ch. 323, Sec. 5(a) (part).)

19 Source Law

20 Sec. 5. (a) When a person is elected to the  
21 board of directors he shall qualify for office by  
22 executing . . . a written oath and a good and  
23 sufficient surety bond for \$5,000.00 payable to the  
24 district, conditioned upon the faithful performance of  
25 his duties, such bond to be in the form prescribed by  
26 the board of directors. The bond shall be kept in the  
27 permanent records of the district. The board may pay  
28 for directors' bonds with district funds.

29 Revisor's Note

30 Section 5(a), Chapter 323, Acts of the 62nd  
31 Legislature, Regular Session, 1971, requires each  
32 director to take the constitutional oath of office.  
33 The revised law omits that provision because Section  
34 1, Article XVI, Texas Constitution, requires an  
35 officer of this state to take the constitutional oath  
36 (or affirmation) before assuming office. The omitted  
37 law reads:

38 (a) [When a person is elected to the  
39 board of directors he shall qualify for  
40 office by executing] the constitutional  
41 oath of office, . . . .

1 Revised Law

2 Sec. 1114.056. BOARD VACANCY. If a vacancy occurs in the  
3 office of director, the remaining directors by a majority vote  
4 shall appoint a director for the unexpired term. (Acts 62nd Leg.,  
5 R.S., Ch. 323, Sec. 4(d).)

6 Source Law

7 (d) A vacancy on the board of directors shall be  
8 filled by appointment of the board of directors for the  
9 remainder of the unexpired term by a majority vote of  
10 the remaining members of the board of directors.

11 Revised Law

12 Sec. 1114.057. OFFICERS. (a) The board shall elect from  
13 among its members a president, a vice president, a secretary, and a  
14 treasurer.

15 (b) The offices of secretary and treasurer may be held by  
16 one person.

17 (c) Each officer of the board serves a one-year term.

18 (d) The board shall fill a vacancy in a board office for the  
19 unexpired term. (Acts 62nd Leg., R.S., Ch. 323, Secs. 5(b), (c).)

20 Source Law

21 (b) The board of directors shall organize by  
22 electing from its membership a president, a  
23 vice-president and a secretary and a treasurer. The  
24 latter two offices may be held by one person.

25 (c) Officers shall be elected for a period of  
26 one year and vacancies shall be filled for the  
27 unexpired term by the board of directors.

28 Revised Law

29 Sec. 1114.058. COMPENSATION; EXPENSES. A director serves  
30 without compensation but may be reimbursed for actual expenses  
31 incurred in the performance of official duties. The expenses must  
32 be:

33 (1) reported in the district's records; and

34 (2) approved by the board. (Acts 62nd Leg., R.S., Ch.  
35 323, Sec. 5(e).)

36 Source Law

37 (e) The directors shall serve without  
38 compensation but may be reimbursed for actual expenses  
39 incurred in the performance of official duties. Those  
40 expenses must be reported in the district's minute book  
41 or other district records and must be approved by the

1 board.

2 Revisor's Note

3 Section 5(e), Chapter 323, Acts of the 62nd  
4 Legislature, Regular Session, 1971, requires that  
5 approved expenses be reported in the "district's  
6 minute book or other district records." The revised  
7 law omits the reference to the "district's minute book"  
8 because the minute book is a district record.

9 Revised Law

10 Sec. 1114.059. MEETINGS. The board shall meet at least  
11 once a month on a regular meeting date prescribed by the board.  
12 (Acts 62nd Leg., R.S., Ch. 323, Sec. 5(f).)

13 Source Law

14 (f) The board of directors shall have a minimum  
15 of one meeting each month on a regular meeting date as  
16 prescribed by the board.

17 Revised Law

18 Sec. 1114.060. VOTING REQUIREMENT. A concurrence of five  
19 directors is required in any matter relating to district business.  
20 (Acts 62nd Leg., R.S., Ch. 323, Sec. 5(d) (part).)

21 Source Law

22 (d) . . . a concurrence of five directors shall  
23 be required in all matters pertaining to the business  
24 of the district.

25 Revisor's Note

26 Section 5(d), Chapter 323, Acts of the 62nd  
27 Legislature, Regular Session, 1971, provides that five  
28 directors constitute a quorum. The revised law omits  
29 that provision because it duplicates Section 311.013,  
30 Government Code (Code Construction Act), which  
31 provides that a quorum of a public body is a majority  
32 of the number of members fixed by statute. The omitted  
33 law reads:

34 (d) Any five members of the board of  
35 directors shall constitute a quorum and  
36 . . . .

37 Revised Law

38 Sec. 1114.061. ADMINISTRATOR; ASSISTANT ADMINISTRATOR.

1 (a) The board shall appoint a qualified person as district  
2 administrator.

3 (b) The board may appoint an assistant administrator.

4 (c) The administrator and any assistant administrator serve  
5 at the will of the board and shall receive the compensation  
6 determined by the board.

7 (d) On assuming the duties of district administrator, the  
8 administrator shall execute a surety bond payable to the district  
9 in an amount and form set by the board of not less than \$5,000 that:

10 (1) is conditioned on the administrator faithfully  
11 performing the administrator's duties; and

12 (2) contains any other conditions the board requires.

13 (Acts 62nd Leg., R.S., Ch. 323, Sec. 6(a) (part).)

14 Source Law

15 (a) . . . The board of directors shall appoint  
16 a qualified person to be known as the administrator or  
17 manager of the hospital district and may in its  
18 discretion appoint an assistant or assistants to the  
19 administrator or manager. Such administrator or  
20 manager and assistant administrator or manager, if  
21 any, shall serve at the will of the board and shall  
22 receive such compensation as may be fixed by the board.  
23 The administrator or manager shall, upon assuming his  
24 duties, execute a surety bond payable to the hospital  
25 district in an amount and form to be set by the board of  
26 directors, in no event less than \$5,000.00 conditioned  
27 upon his faithful performance of the duties required  
28 of him, and, and containing such other conditions as  
29 the board may require. . . .

30 Revisor's Note

31 Section 6, Chapter 323, Acts of the 62nd  
32 Legislature, Regular Session, 1971, provides that the  
33 board shall appoint a person as the "administrator or  
34 manager" of the district and may appoint an "assistant  
35 administrator or manager." Throughout this chapter,  
36 the revised law omits "manager" because, in context,  
37 "manager" is included in the meaning of  
38 "administrator."

39 Revised Law

40 Sec. 1114.062. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
41 Subject to any limitations prescribed by the board, the district

1 administrator shall:

2 (1) supervise the work and activities of the district;  
3 and

4 (2) direct the affairs of the district. (Acts 62nd  
5 Leg., R.S., Ch. 323, Sec. 6(a) (part).)

6 Source Law

7 (a) . . . The administrator or manager shall  
8 supervise all the work and activities of the district  
9 and shall have general direction of the affairs of the  
10 district, subject to such limitations as may be  
11 prescribed by the board . . . .

12 Revised Law

13 Sec. 1114.063. APPOINTMENT OF STAFF; EMPLOYEES. (a) The  
14 board may appoint to or dismiss from the staff any doctor the board  
15 considers necessary for the efficient operation of the district and  
16 may make temporary appointments to the staff if warranted.

17 (b) The district may employ fiscal agents, accountants,  
18 architects, and attorneys as the board considers proper.

19 (c) The board may delegate to the district administrator the  
20 authority to employ district employees, including technicians and  
21 nurses. (Acts 62nd Leg., R.S., Ch. 323, Secs. 6(a) (part), 15.)

22 Source Law

23 Sec. 6. (a) . . . The board of directors shall  
24 have the authority to appoint to or dismiss from the  
25 staff such doctors as it may deem necessary for the  
26 efficient operation of the district and may provide  
27 for temporary appointments to the staff if warranted  
28 by circumstances. The board may delegate to the  
29 administrator or manager the authority to employ  
30 technicians, nurses, and employees of the district.  
31 . . .

32 Sec. 15. The district may employ fiscal agents,  
33 accountants, architects, and attorneys as the board  
34 may consider proper.

35 Revised Law

36 Sec. 1114.064. RETIREMENT BENEFITS. The board may provide  
37 retirement benefits for district employees by:

38 (1) establishing or administering a retirement  
39 program; or

40 (2) participating in:

41 (A) the Texas County and District Retirement

1 System; or

2 (B) another statewide retirement system in which  
3 the district is eligible to participate. (Acts 62nd Leg., R.S., Ch.  
4 323, Sec. 6(a) (part).)

5 Source Law

6 (a) . . . The board may provide retirement  
7 benefits for employees of the district by establishing  
8 or administering a retirement program or by electing  
9 to participate in the Texas County and District  
10 Retirement System or in any other statewide retirement  
11 system in which the district is eligible to  
12 participate. . . .

13 Revisor's Note  
14 (End of Subchapter)

15 Section 5(g), Chapter 323, Acts of the 62nd  
16 Legislature, Regular Session, 1971, directs the  
17 initial board of directors to promptly adopt rules and  
18 regulations after the board is qualified. The revised  
19 law omits the provision as executed. The omitted law  
20 reads:

21 (g) The board of directors shall  
22 promptly, after its qualification, adopt  
23 rules and regulations for governing the  
24 affairs of the district not in conflict with  
25 any provisions of this Act.

26 [Sections 1114.065-1114.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

28 Revised Law

29 Sec. 1114.101. DISTRICT RESPONSIBILITY. (a) The district  
30 shall provide for the medical and hospital care of the district's  
31 needy inhabitants, as required by Section 9, Article IX, Texas  
32 Constitution, and this chapter.

33 (b) The district has full responsibility for providing  
34 health care services for the district's indigent residents, subject  
35 to the provisions of this chapter. (Acts 62nd Leg., R.S., Ch. 323,  
36 Secs. 2, 18 (part).)

37 Source Law

38 Sec. 2. The district herein authorized to be  
39 created shall provide for the medical and hospital  
40 care of its needy inhabitants, as required by Article  
41 IX, Section 9, of the Texas Constitution and this Act.



1 "political subdivision" because "municipality" is  
2 included in the meaning of "political subdivision."

3 Revised Law

4 Sec. 1114.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
5 The board shall manage, control, and administer the district's  
6 services, money, and resources. (Acts 62nd Leg., R.S., Ch. 323,  
7 Sec. 6(a) (part).)

8 Source Law

9 Sec. 6. (a) The board of directors shall  
10 manage, control, and administer the district's  
11 services and all funds and resources of the district,  
12 but . . . .

13 Revised Law

14 Sec. 1114.104. RULES. The board may adopt rules governing  
15 the operation of the hospital, the hospital system, and the  
16 district's staff and employees. (Acts 62nd Leg., R.S., Ch. 323,  
17 Sec. 6(a) (part).)

18 Source Law

19 (a) . . . . The district, through its board of  
20 directors, shall have the power and authority . . . to  
21 promulgate rules and regulations governing the  
22 operation of the hospital, hospital system, its staff,  
23 and its employees. . . .

24 Revisor's Note

25 Section 6, Chapter 323, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides that the  
27 board may "promulgate rules and regulations" to govern  
28 the district. The revised law substitutes "adopt" for  
29 "promulgate" because the terms are synonymous and the  
30 former is more commonly used. The revised law also  
31 omits "regulations" because under Section 311.005(5),  
32 Government Code (Code Construction Act), a rule is  
33 defined to include a regulation.

34 Revised Law

35 Sec. 1114.105. PURCHASING AND ACCOUNTING. The board may  
36 prescribe:

37 (1) the method and manner of making purchases and  
38 expenditures by and for the district; and

1 (2) all accounting and control procedures. (Acts 62nd  
2 Leg., R.S., Ch. 323, Sec. 11 (part).)

3 Source Law

4 Sec. 11. The board of directors of such district  
5 shall have the power to prescribe the method and manner  
6 of making purchases and expenditures by and for such  
7 hospital district, and shall also be authorized to  
8 prescribe all accounting and control procedures. . . .

9 Revised Law

10 Sec. 1114.106. DISTRICT PROPERTY, FACILITIES, AND  
11 EQUIPMENT. (a) The board may lease all or part of the district's  
12 buildings and facilities on terms considered to be in the best  
13 interest of the district's inhabitants. The term of the lease may  
14 not exceed 25 years.

15 (b) The district may acquire equipment for use in the  
16 district's hospital system and mortgage or pledge the property as  
17 security for the payment of the purchase price, subject to the  
18 provisions of this chapter. A contract entered into under this  
19 subsection must provide that the entire obligation be retired not  
20 later than the fifth anniversary of the date of the contract. (Acts  
21 62nd Leg., R.S., Ch. 323, Secs. 10(c) (part), 11 (part).)

22 Source Law

23 [Sec. 10]

24 (c) The board of directors . . . may lease all  
25 or a part of its buildings and facilities upon terms  
26 and conditions to the best interest of its  
27 inhabitants, provided that in no event shall any lease  
28 be for a period in excess of 25 years from the date  
29 entered.

30 Sec. 11. . . . The district may acquire  
31 equipment for its use in the hospital system and  
32 mortgage or pledge the property so acquired as  
33 security for the payment of the purchase price,  
34 subject to the provisions of this Act; but any such  
35 contract shall provide for the entire obligation of  
36 the district to be retired within not more than five  
37 years from the date of the contract. . . .

38 Revisor's Note

39 Section 10(c), Chapter 323, Acts of the 62nd  
40 Legislature, Regular Session, 1971, refers to "terms  
41 and conditions." The revised law omits "conditions"  
42 because "conditions" is included in the meaning of  
43 "terms."

1 Revised Law

2 Sec. 1114.107. 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 provisions prescribed in writing by the  
6 donor that are not inconsistent with the proper management and  
7 object of the district. (Acts 62nd Leg., R.S., Ch. 323, Sec. 17  
8 (part).)

9 Source Law

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

18 Revisor's Note

19 (1) Section 17, Chapter 323, Acts of the 62nd  
20 Legislature, Regular Session, 1971, refers to  
21 "donations" and "gifts." The revised law omits the  
22 reference to "donations" because "donations" is  
23 included in the meaning of "gifts."

24 (2) Section 17, Chapter 323, Acts of the 62nd  
25 Legislature, Regular Session, 1971, refers to previous  
26 gifts or endowments made to Willacy County. The  
27 revised law omits the provision as executed. The  
28 omitted law reads:

29 Sec. 17. [The board . . . is  
30 authorized . . . to accept donations, gifts  
31 and endowments] (in addition to any  
32 heretofore made to Willacy County for  
33 hospital purposes) . . . .

34 Revised Law

35 Sec. 1114.108. CONSTRUCTION CONTRACTS. A construction  
36 contract that involves the expenditure of more than the amount  
37 provided by Section 271.024, Local Government Code, may be made  
38 only after competitive bidding as provided by Subchapter B, Chapter  
39 271, Local Government Code. (Acts 62nd Leg., R.S., Ch. 323, Sec. 11  
40 (part).)



1                   Sec. 11. . . . The provisions of  
2                   Article 5160, Revised Statutes, relating to  
3                   performance and payment bonds shall apply  
4                   to construction contracts let by the  
5                   district. . . .

6   Revised Law

7                   Sec. 1114.109. OPERATING AND MANAGEMENT CONTRACTS. The  
8                   board may enter into an operating or management contract relating  
9                   to a district facility. (Acts 62nd Leg., R.S., Ch. 323, Sec. 10(c)  
10                   (part).)

11   Source Law

12                   (c) The board of directors is further authorized  
13                   to enter into an operating or management contract with  
14                   regard to its facilities or a part thereof, or . . . .

15   Revised Law

16                   Sec. 1114.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
17                   CARE AND TREATMENT. The board may contract with:

18                   (1) any county or municipality located outside the  
19                   district for the care and treatment of a sick or injured person of  
20                   that county or municipality; and

21                   (2) this state or a federal agency for the treatment of  
22                   a sick or injured person. (Acts 62nd Leg., R.S., Ch. 323, Sec. 6(a)  
23                   (part).)

24   Source Law

25                   (a) . . . Such board . . . shall be authorized  
26                   to contract with any county or incorporated  
27                   municipality located outside its boundaries for the  
28                   care and treatment of sick, diseased, or injured  
29                   persons of any such county or municipality and shall  
30                   have the authority to contract with the State of Texas  
31                   or agencies of the Federal government for the  
32                   treatment of sick, diseased, or injured persons.

33   Revisor's Note

34                   (1) Section 6, Chapter 323, Acts of the 62nd  
35                   Legislature, Regular Session, 1971, refers to an  
36                   "incorporated" municipality. The revised law omits  
37                   "incorporated" because under the Local Government  
38                   Code, all municipalities must be incorporated.

39                   (2) Section 6, Chapter 323, Acts of the 62nd  
40                   Legislature, Regular Session, 1971, refers to the  
41                   treatment of "sick, diseased, or injured persons."

1 The revised law omits "diseased" because "diseased" is  
2 included in the meaning of "sick."

3 Revised Law

4 Sec. 1114.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
5 INVESTIGATORY OR OTHER SERVICES. The board may contract with  
6 another political subdivision or a governmental agency for the  
7 district to provide investigatory or other services for the  
8 medical, hospital, or welfare needs of district inhabitants. (Acts  
9 62nd Leg., R.S., Ch. 323, Sec. 6(a) (part).)

10 Source Law

11 (a) . . . Such board shall be authorized to  
12 contract with any other political subdivision or  
13 governmental agency whereby the district will provide  
14 investigatory or other services as to the medical,  
15 hospital, or welfare needs of the inhabitants of the  
16 district and . . . .

17 Revised Law

18 Sec. 1114.112. HEALTH CARE SERVICES. (a) The district  
19 shall provide the inpatient and outpatient hospital services and  
20 physician services a county is required to provide under Section  
21 61.028(a), Health and Safety Code.

22 (b) The district shall provide maternal labor and delivery  
23 services in the district. (Acts 62nd Leg., R.S., Ch. 323, Sec.  
24 16A(a).)

25 Source Law

26 Sec. 16A. (a) The district shall provide the  
27 inpatient and outpatient hospital services and  
28 physician services a county is required to provide  
29 under Section 3.01(a), Indigent Health Care and  
30 Treatment Act (Article 4438f, Vernon's Texas Civil  
31 Statutes). The district shall also provide maternal  
32 labor and delivery services in the district.

33 Revisor's Note

34 Section 16A(a), Chapter 323, Acts of the 62nd  
35 Legislature, Regular Session, 1971, refers to Section  
36 3.01(a), Indigent Health Care and Treatment Act  
37 (Article 4438f, Vernon's Texas Civil Statutes). That  
38 provision was codified in 1989 as Section 61.028(a),  
39 Health and Safety Code, and the revised law is drafted  
40 accordingly.

1 Revised Law

2 Sec. 1114.113. HEALTH CARE SERVICES ELIGIBILITY. (a) The  
3 district shall provide health care assistance as required by this  
4 chapter to each eligible resident of the district.

5 (b) A person is eligible for health care assistance from the  
6 district if the person:

7 (1) resides within the district; and

8 (2) meets the basic income and resources eligibility  
9 requirements established by the district. (Acts 62nd Leg., R.S.,  
10 Ch. 323, Secs. 16(a), (b).)

11 Source Law

12 Sec. 16. (a) The district shall provide health  
13 care assistance as prescribed by this Act to each  
14 eligible resident of the district.

15 (b) A person is eligible for health care  
16 assistance from the district if the person resides  
17 within the district and meets the basic income and  
18 resources eligibility requirements established by the  
19 district.

20 Revised Law

21 Sec. 1114.114. MANDATED PROVIDER. The district may select  
22 one or more providers of health care services and may require an  
23 eligible resident to obtain care from a provider except:

24 (1) in an emergency;

25 (2) when medically inappropriate; or

26 (3) when care is not available. (Acts 62nd Leg., R.S.,  
27 Ch. 323, Sec. 16A(b) (part).)

28 Source Law

29 (b) . . . The district may also select one or  
30 more providers of health care services and, except in  
31 an emergency, when medically inappropriate, or when  
32 care is not available, require eligible residents to  
33 obtain care from a provider.

34 Revised Law

35 Sec. 1114.115. NOTIFICATION OF PROVISION OF NONEMERGENCY  
36 SERVICES. (a) The district may require a mandated provider  
37 selected by the district under Section 1114.114 to obtain approval  
38 from the district before providing nonemergency health care  
39 services to an eligible resident of the district.

40 (b) If the district has not selected a mandated provider, a

1 provider of nonemergency health care assistance must inform the  
2 district of any nonemergency health care services provided to a  
3 patient as required by this section.

4 (c) A provider that delivers or will deliver nonemergency  
5 health care services to a patient who the provider suspects might be  
6 eligible for assistance under this chapter shall notify the  
7 district that nonemergency health care services have been or will  
8 be provided to the patient. The provider must notify the district:

9 (1) by telephone, as soon as possible after the  
10 provider determines that the patient resides in the district; and

11 (2) by mail postmarked not later than the third  
12 working day after the date on which the provider determines that the  
13 patient resides in the district.

14 (d) If the provider knows that the district has selected a  
15 mandated provider or if, after contacting the district, the  
16 district requests that the patient be transferred to a mandated  
17 provider, the provider shall transfer the patient to the mandated  
18 provider unless it is medically inappropriate to transfer the  
19 patient.

20 (e) The provider, the patient, and the patient's family  
21 shall cooperate with the district in determining if the patient is  
22 an eligible resident of the district.

23 (f) Not later than the 14th day after the date on which the  
24 district receives sufficient information to determine eligibility,  
25 the district shall determine if the patient is eligible for  
26 assistance. If the district does not determine the patient's  
27 eligibility within that period, the patient is considered to be  
28 eligible. The district shall notify the provider of the district's  
29 decision.

30 (g) A provider that delivers nonemergency services to a  
31 patient who is eligible for assistance under this chapter and fails  
32 to comply with this section is not eligible for payment for the  
33 services from the district. (Acts 62nd Leg., R.S., Ch. 323, Secs.  
34 16A(c), (e), (f), (g) (part).)

1 Source Law

2 (c) If the district has selected a mandated  
3 provider, the district may require the mandated  
4 provider to obtain approval from the district before  
5 providing nonemergency health care services to an  
6 eligible resident of the district. If the district has  
7 not selected a mandated provider, the provider of  
8 nonemergency health care assistance shall inform the  
9 district of any nonemergency health care services  
10 provided to that patient as prescribed by this  
11 section. If a provider delivers or will deliver  
12 nonemergency health care services to a patient that  
13 the provider suspects might be eligible for assistance  
14 under this Act, as soon as possible after determining  
15 that the patient resides in the district, the provider  
16 must notify the district by telephone that health care  
17 services have been or will be provided to that patient.  
18 The provider must also notify the district by mail  
19 postmarked not later than the third working day after  
20 determining that the patient resides in the district.  
21 If the provider knows that the district has selected a  
22 mandated provider or if, after contacting the  
23 district, the district requests that the patient be  
24 transferred to a mandated provider, the provider shall  
25 transfer the patient to the mandated provider unless  
26 it is medically inappropriate to transfer the patient.

27 (e) The provider, the patient, and the patient's  
28 family shall cooperate with the district in  
29 determining if the patient is an eligible resident of  
30 the district.

31 (f) Not later than the 14th day after the  
32 district receives sufficient information to determine  
33 eligibility, the district shall determine if the  
34 patient is eligible for assistance. If the district  
35 does not determine the patient's eligibility within  
36 the 14-day period, the patient is considered to be  
37 eligible. The district shall notify the provider of  
38 its decision.

39 (g) If a provider who delivers . . .  
40 nonemergency services to a patient who is eligible for  
41 assistance under this Act fails to comply with this  
42 section, the provider is not eligible for payment for  
43 the services from the district.

44 Revised Law

45 Sec. 1114.116. NOTIFICATION OF PROVISION OF EMERGENCY  
46 SERVICES. (a) If a patient who is eligible for assistance under  
47 this chapter requires emergency services from a nonmandated  
48 provider, the provider must notify the district as provided by this  
49 section.

50 (b) A provider delivering emergency services to a patient  
51 who the provider suspects might be eligible for assistance under  
52 this chapter shall notify the district that emergency services have  
53 been or will be provided to the patient. The provider must notify  
54 the district:



1 (f) Not later than the 14th day after the  
2 district receives sufficient information to determine  
3 eligibility, the district shall determine if the  
4 patient is eligible for assistance. If the district  
5 does not determine the patient's eligibility within  
6 the 14-day period, the patient is considered to be  
7 eligible. The district shall notify the provider of  
8 its decision.

9 (g) If a provider who delivers emergency or  
10 . . . services to a patient who is eligible for  
11 assistance under this Act fails to comply with this  
12 section, the provider is not eligible for payment for  
13 the services from the district.

#### 14 Revised Law

15 Sec. 1114.117. PAYMENT FOR SERVICES. (a) To the extent  
16 prescribed by this chapter, the district is liable for health care  
17 services provided under this chapter by any provider, including  
18 another hospital district or public hospital, to an eligible  
19 resident of the district.

20 (b) The payment rates and limits prescribed by Sections  
21 61.034 and 61.035, Health and Safety Code, that relate to county  
22 services apply to inpatient and outpatient hospital services and  
23 physician services that the district is required to provide if:

24 (1) the district is not able to provide the required  
25 services or emergency services; and

26 (2) the services are provided elsewhere. (Acts 62nd  
27 Leg., R.S., Ch. 323, Sec. 16B.)

#### 28 Source Law

29 Sec. 16B. (a) To the extent prescribed by this  
30 Act, the district is liable for health care services  
31 provided under this Act by any provider, including  
32 another hospital district or public hospital, to an  
33 eligible resident of the district.

34 (b) The payment rates and limits prescribed by  
35 Sections 4.02 and 4.03, Indigent Health Care and  
36 Treatment Act (Article 4438f, Vernon's Texas Civil  
37 Statutes), that relate to county services apply to  
38 inpatient and outpatient hospital services and  
39 physician services the district is required to provide  
40 if the district is not able to provide the services or  
41 emergency services that are required and the services  
42 are provided elsewhere.

#### 43 Revisor's Note

44 Section 16B(b), Chapter 323, Acts of the 62nd  
45 Legislature, Regular Session, 1971, refers to Sections  
46 4.02 and 4.03, Indigent Health Care and Treatment Act  
47 (Article 4438f, Vernon's Texas Civil Statutes). Those

1 provisions were codified in 1989 as Sections 61.034  
2 and 61.035, Health and Safety Code, respectively, and  
3 the revised law is drafted accordingly.

4 Revised Law

5 Sec. 1114.118. AUTHORITY TO SUE AND BE SUED. (a) The  
6 district, through the board, may sue and be sued.

7 (b) The district is entitled to all causes of action and  
8 defenses to which similar authorities are entitled. (Acts 62nd  
9 Leg., R.S., Ch. 323, Sec. 6(a) (part).)

10 Source Law

11 (a) . . . The district, through its board of  
12 directors, shall have the power and authority to sue  
13 and be sued, and shall be entitled to all causes of  
14 action and defenses enjoyed by similar authorities,  
15 and . . . .

16 Revisor's Note  
17 (End of Subchapter)

18 (1) Section 10(b), Chapter 323, Acts of the 62nd  
19 Legislature, Regular Session, 1971, describes the  
20 plans and specifications to which the initial  
21 facilities must be constructed and the maximum cost of  
22 the initial facilities. The revised law omits these  
23 provisions as executed because the facilities have  
24 been built. The omitted law reads:

25 (b) The initial hospital system and  
26 facilities shall be constructed  
27 substantially according to tentative plans  
28 and specifications prepared by the  
29 architectural firm of Jack Rice Turner,  
30 Corpus Christi, Texas, and shall not exceed  
31 a cost of \$350,000.00. If for any reason  
32 Jack Rice Turner, Corpus Christi, Texas  
33 cannot perform as agreed the Board of  
34 Directors provided for herein shall select  
35 an alternate architect, but in any event the  
36 cost shall not exceed \$350,000.00.

37 (2) Sections 16(c)-(g), Chapter 323, Acts of the  
38 62nd Legislature, Regular Session, 1971, detail the  
39 district's application procedure for assistance  
40 eligibility. The revised law omits these provisions  
41 because they duplicate Sections 61.053(b)-(k), Health  
42 and Safety Code, which apply to the district and detail

1 the application procedure. The omitted law reads:

2 (c) Not later than the beginning of  
3 the district's operating year, the district  
4 shall specify the procedures it will use  
5 during the operating year to determine  
6 eligibility and the documentation required  
7 to support a request for assistance and  
8 shall make a reasonable effort to notify the  
9 public of the procedures. The district  
10 shall furnish each applicant with written  
11 application forms and, on request of an  
12 applicant, shall assist the applicant in  
13 filling out forms and completing the  
14 application process. The district shall  
15 inform each applicant of the availability  
16 of assistance.

17 (d) The district shall require each  
18 applicant to sign a written statement in  
19 which the applicant swears to the truth of  
20 the information supplied. The district  
21 shall explain to the applicant that if the  
22 application is approved, the applicant must  
23 report to the district any change in income  
24 or resources that might affect the  
25 applicant's eligibility not later than the  
26 14th day after the date on which the change  
27 occurs. The district shall also explain the  
28 possible penalties for failure to report a  
29 change.

30 (e) The district shall accept and  
31 review each application and shall accept or  
32 deny each application not later than the  
33 14th day after the date on which the  
34 district received the completed  
35 application. The district shall provide a  
36 process for reviewing applications and for  
37 allowing an applicant to appeal a denial of  
38 assistance. The district shall also  
39 provide each applicant written notification  
40 of the district's decision. If the district  
41 denies assistance, the written notification  
42 shall include the reason for the denial and  
43 an explanation of the procedure for  
44 appealing the denial.

45 (f) The district shall maintain the  
46 records relating to each application for at  
47 least three years after the date on which  
48 the application was submitted.

49 (g) If an applicant is denied  
50 assistance, the applicant may resubmit an  
51 application at any time circumstances  
52 justify a redetermination of eligibility.

53 (3) Section 16A(b), Chapter 323, Acts of the  
54 62nd Legislature, Regular Session, 1971, provides that  
55 the district may provide health care services by  
56 arrangement with another provider or through the  
57 purchase of insurance. Section 16A(b) further  
58 authorizes the district to affiliate with certain  
59 entities to provide regional administration and

1 delivery of health care services. The revised law  
2 omits these provisions because they duplicate Sections  
3 61.056(a) and (b), Health and Safety Code, which apply  
4 to the district. The omitted law reads:

5 (b) The district may arrange to  
6 provide health care services through a  
7 local health department, a publicly owned  
8 facility, a contract with a private  
9 provider, regardless of the provider's  
10 location, or through the purchase of  
11 insurance for eligible residents. The  
12 district may affiliate with other hospital  
13 districts or public hospitals or with a  
14 governmental entity to provide regional  
15 administration and delivery of health care  
16 services. . . .

17 [Sections 1114.119-1114.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Revised Law

20 Sec. 1114.151. BUDGET. (a) The district administrator  
21 shall prepare an annual budget for approval by the board.

22 (b) The proposed budget must contain a complete financial  
23 statement of:

- 24 (1) the outstanding obligations of the district;  
25 (2) the money received by the district from all  
26 sources during the previous year;  
27 (3) the money available to the district from all  
28 sources during the ensuing year;  
29 (4) the balances expected at the end of the year in  
30 which the budget is being prepared;  
31 (5) the estimated revenue and balances available to  
32 cover the proposed budget;  
33 (6) the estimated tax rate required; and  
34 (7) the proposed expenditures and disbursements and  
35 the estimated receipts and collections for the following fiscal  
36 year. (Acts 62nd Leg., R.S., Ch. 323, Sec. 7(a) (part).)

37 Source Law

38 (a) . . . The administrator or manager shall  
39 prepare an annual budget for approval by the board of  
40 directors. The budget shall also contain a complete  
41 financial statement of the district showing all  
42 outstanding obligations of the district, the funds

1 received from all sources during the previous year,  
2 the funds available from all sources during the  
3 ensuing year, the balances expected at the end of the  
4 year in which the budget is being prepared, estimated  
5 revenues and balances available to cover the proposed  
6 budget, the estimated tax rate which will be required,  
7 the proposed expenditures and disbursements, and the  
8 estimated receipts and collections for the following  
9 fiscal year. . . .

10 Revised Law

11 Sec. 1114.152. NOTICE; HEARING; ACTION ON BUDGET. (a) The  
12 board shall hold a public hearing each year on the proposed annual  
13 budget.

14 (b) At least 10 days before the date of the hearing, notice  
15 of the hearing shall be published one time in a newspaper or  
16 newspapers that individually or collectively provide general  
17 circulation in the district.

18 (c) Any district resident is entitled to be present and  
19 participate at the hearing.

20 (d) At the conclusion of the hearing, the board shall act on  
21 the budget proposed by the district administrator. The board may  
22 make any changes in the proposed budget that the board judges to be  
23 in the interests of the district's residents and that the law  
24 warrants. (Acts 62nd Leg., R.S., Ch. 323, Sec. 7(a) (part).)

25 Source Law

26 (a) . . . A public hearing on the annual budget  
27 shall be held each year by the board of directors after  
28 notice of such hearing has been published one time at  
29 least 10 days before the date of public hearing.  
30 Notice of the budget hearing shall be published in a  
31 newspaper or newspapers which individually or  
32 collectively provide general circulation in the  
33 hospital district. Any resident of the district shall  
34 have the right to be present and participate in said  
35 hearings. At the conclusion of the hearing, the  
36 budget, as proposed by the administrator, shall be  
37 acted upon by the board of directors. The board of  
38 directors shall have authority to make such changes in  
39 the budget as in their judgment the law warrants and  
40 the interest of the residents demands.

41 Revised Law

42 Sec. 1114.153. FISCAL YEAR. The district operates  
43 according to a fiscal year that begins on July 1 and ends on June 30.  
44 (Acts 62nd Leg., R.S., Ch. 323, Sec. 7(a) (part).)

45 Source Law

46 Sec. 7. (a) The district shall be operated on

1 the basis of a fiscal year commencing on July 1 of each  
2 year and ending on June 30 of the following year, and  
3 . . . .

4 Revised Law

5 Sec. 1114.154. ANNUAL AUDIT. (a) The district shall have  
6 an independent annual audit made of the district's financial  
7 condition for each fiscal year.

8 (b) After approval by the board, the audit shall be filed at  
9 the district's office. (Acts 62nd Leg., R.S., Ch. 323, Sec. 7(a)  
10 (part).)

11 Source Law

12 Sec. 7. (a) The district . . . it shall cause  
13 an independent annual audit to be made of the financial  
14 condition of said district, . . . such audit shall be  
15 made covering each fiscal year, and the same shall be  
16 filed at the office of the district upon approval by  
17 the board of directors. . . .

18 Revised Law

19 Sec. 1114.155. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
20 RECORDS. The annual audit and other district records shall be open  
21 to inspection at the district's principal office. (Acts 62nd Leg.,  
22 R.S., Ch. 323, Sec. 7(a) (part).)

23 Source Law

24 Sec. 7. (a) The . . . annual audit . . . which,  
25 together with other records of the district, shall be  
26 open to inspection at the principal office of the  
27 district; . . . .

28 Revised Law

29 Sec. 1114.156. DEPOSITORY. (a) Every two years, the board  
30 shall select one or more banks in the district to serve as a  
31 depository for district money.

32 (b) All district money, other than money invested as  
33 provided by Section 1114.157(b), and money transmitted to a bank  
34 for payment of bonds or obligations issued or assumed by the  
35 district, shall be deposited as received with the depository and  
36 shall remain on deposit.

37 (c) This chapter, including Subsection (b), does not limit  
38 the power of the board to:

- 39 (1) place a part of district money on time deposit; or  
40 (2) purchase certificates of deposit, obligations of

1 the United States, or obligations guaranteed by the United States.  
2 (Acts 62nd Leg., R.S., Ch. 323, Sec. 12(a).)

3 Source Law

4 Sec. 12. (a) The board of directors of the  
5 district, upon its qualification and each two years  
6 thereafter, shall name one or more banks within its  
7 boundaries to serve as depository for the funds of the  
8 district. All funds of the district (except those  
9 invested as provided in Section 6, and those  
10 transmitted to a bank or banks in payment for bonds or  
11 obligations issued or assumed by the district) shall  
12 be deposited as received with the depository bank and  
13 shall remain on deposit, provided that nothing herein  
14 shall limit the power of the board to place a portion  
15 of such funds on time deposit or purchase certificates  
16 of deposit or obligations of or those guaranteed by the  
17 United States.

18 Revisor's Note

19 (1) Section 12(a), Chapter 323, Acts of the 62nd  
20 Legislature, Regular Session, 1971, requires the board  
21 to select a depository "upon its qualification." The  
22 revised law omits the quoted language as executed.

23 (2) Section 12(b), Chapter 323, Acts of the 62nd  
24 Legislature, Regular Session, 1971, requires a bank to  
25 provide a specified amount of collateral to ensure the  
26 security of district funds deposited at the bank. The  
27 revised law omits the provision as superseded by  
28 Subchapter B, Chapter 2257, Government Code (enacted  
29 in 1989 as Article 2529d, Vernon's Texas Civil  
30 Statutes), and specifically by Sections 2257.021 and  
31 2257.022 of that subchapter, which establish the  
32 amount of collateral required for a deposit of public  
33 funds. Subchapter B, Chapter 2257, Government Code,  
34 applies to the security for district funds under  
35 Sections 2257.002 and 2257.004, Government Code. The  
36 omitted law reads:

37 (b) Before the district deposits  
38 funds in a bank in an amount that exceeds  
39 the maximum amount secured by the Federal  
40 Deposit Insurance Corporation, the bank  
41 must execute a bond or other security in an  
42 amount sufficient to secure from loss the  
43 district funds that exceed the amount  
44 secured by the Federal Deposit Insurance  
45 Corporation.

1 Revised Law

2 Sec. 1114.157. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
3 Except as otherwise provided by Section 1114.106(b) and by  
4 Subchapter E, the district may not incur an obligation payable from  
5 district revenue other than the revenue on hand or to be on hand in  
6 the current and following district fiscal years.

7 (b) The board may invest operating, depreciation, or  
8 building reserves only in funds or securities specified by Chapter  
9 2256, Government Code. (Acts 62nd Leg., R.S., Ch. 323, Secs. 6(a)  
10 (part), 11 (part).)

11 Source Law

12 Sec. 6. (a) . . . in no event shall any  
13 operating, depreciation, or building fund reserves be  
14 invested in any funds or securities other than those  
15 specified in Articles 836 or 837, Revised  
16 Statutes. . . .

17 Sec. 11. . . . Except as permitted in this  
18 section and as permitted by Sections 7, 8, 8A, 8B, and  
19 9, the district may incur no obligation payable from  
20 any revenues of the district (taxes or otherwise)  
21 except those on hand or to be on hand within the then  
22 current and following fiscal year of the district.

23 Revisor's Note

24 (1) Section 6, Chapter 323, Acts of the 62nd  
25 Legislature, Regular Session, 1971, refers to  
26 "Articles 836 or 837, Revised Statutes." Those  
27 articles were impliedly repealed by the enactment of  
28 the Public Funds Investment Act of 1987 (Article  
29 842a-2, Vernon's Texas Civil Statutes), which was  
30 revised in 1993 as Chapter 2256, Government Code.  
31 Chapter 2256 defines "local government" to include  
32 hospital districts and applies to the district by its  
33 own terms. The revised law therefore substitutes a  
34 reference to Chapter 2256, Government Code, for the  
35 references to Articles 836 and 837.

36 (2) Section 11, Chapter 323, Acts of the 62nd  
37 Legislature, Regular Session, 1971, provides that  
38 "[e]xcept as permitted in this section and as  
39 permitted by Sections 7, 8, 8A, 8B, and 9," the

1 district may not incur certain obligations. The  
2 provision of Section 11 that permits the district to  
3 mortgage or pledge district property is codified in  
4 Section 1114.106(b). Sections 8, 8A, 8B, and 9 are  
5 codified in Subchapter E. The reference to Section 7  
6 in the source law is omitted as a typographical error,  
7 since it is clear from a reading of Section 7, codified  
8 in this chapter as Sections 1114.151, 1114.152,  
9 1114.153, 1114.154, and 1114.155, that Section 7 does  
10 not relate to the power of the district to incur  
11 obligations. The revised law is drafted accordingly.

12 [Sections 1114.158-1114.200 reserved for expansion]

13 SUBCHAPTER E. BONDS

14 Revised Law

15 Sec. 1114.201. GENERAL OBLIGATION BONDS. The board may  
16 issue and sell general obligation bonds in the name and on the faith  
17 and credit of the district for:

18 (1) purchasing, constructing, acquiring, repairing,  
19 or renovating buildings and improvements;

20 (2) equipping buildings and improvements for hospital  
21 purposes;

22 (3) acquiring and operating a mobile emergency medical  
23 service; and

24 (4) providing medical services. (Acts 62nd Leg.,  
25 R.S., Ch. 323, Sec. 8 (part).)

26 Source Law

27 Sec. 8. The board of directors shall have the  
28 power and authority to issue and sell its bonds in the  
29 name and upon the faith and credit of such hospital  
30 district for the purchase, construction, acquisition,  
31 repair, or renovation of buildings and improvements,  
32 equipping the same for hospital purposes, and for the  
33 acquisition and operation of a mobile emergency  
34 medical service, and for the provision of medical  
35 services. . . .

36 Revisor's Note

37 Section 8, Chapter 323, Acts of the 62nd  
38 Legislature, Regular Session, 1971, provides that the

1 board has the power and authority to issue and sell  
2 bonds in the name and on the faith and credit of the  
3 district. Because the type of bonds described by  
4 Section 8 are known as "general obligation bonds," and  
5 because other provisions in Section 8 explicitly refer  
6 to "general obligation bonds," the revised law is  
7 drafted accordingly.

8 Revised Law

9 Sec. 1114.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
10 the time general obligation bonds are issued by the district, the  
11 board shall impose an ad valorem tax at a rate sufficient to create  
12 an interest and sinking fund to pay the principal of and interest on  
13 the bonds as the bonds mature.

14 (b) The tax required by this section, together with any  
15 other ad valorem tax the district imposes, may not in any year  
16 exceed the tax rate approved by the voters. (Acts 62nd Leg., R.S.,  
17 Ch. 323, Sec. 8 (part).)

18 Source Law

19 Sec. 8. . . . At the time of the issuance of any  
20 bonds by the district a tax shall be levied by the  
21 board sufficient to create an interest and sinking  
22 fund to pay the interest on and principal of said bonds  
23 as same mature, providing such tax together with any  
24 other taxes levied for said district shall not exceed  
25 the rate of tax voted under the provisions of Section 3  
26 of this Act. . . .

27 Revisor's Note

28 (1) Section 8, Chapter 323, Acts of the 62nd  
29 Legislature, Regular Session, 1971, requires the levy  
30 of a tax to pay the principal of and interest on bonds.  
31 The revised law specifies that the tax is an "ad  
32 valorem" tax because it is clear from the source law  
33 that the tax is a property tax. Section 1(b), Article  
34 VIII, Texas Constitution, requires all property that  
35 is taxed to be taxed in proportion to its value, and  
36 accordingly "ad valorem" tax is the term most commonly  
37 used in Texas law to refer to a tax on property.

38 (2) Section 8, Chapter 323, Acts of the 62nd

1 Legislature, Regular Session, 1971, provides that the  
2 tax rate may not exceed "the rate of tax voted under  
3 the provisions of Section 3 of this Act." Section 3  
4 sets out procedures for the district's creation  
5 election and requires voter approval of the district's  
6 authority to impose taxes. Section 3 further sets out  
7 procedures for a subsequent election to increase the  
8 district's tax rate and requires voter approval for the  
9 increase. Because the revised law omits Section 3 for  
10 the reasons stated in the revisor's note at the end of  
11 Subchapter A, the revised law substitutes "the tax  
12 rate approved by the voters" for the quoted language.

13 Revised Law

14 Sec. 1114.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
15 district may issue general obligation bonds only if the bonds are  
16 authorized by a majority of the district voters voting at an  
17 election held for that purpose.

18 (b) The order calling the election must specify:

- 19 (1) the date of the election;  
20 (2) the location of the polling places;  
21 (3) the amount of the bonds to be authorized;  
22 (4) the maximum interest rate of the bonds; and  
23 (5) the maximum maturity of the bonds.

24 (c) Notice of a bond election shall be given as provided by  
25 Section 1251.003, Government Code. (Acts 62nd Leg., R.S., Ch. 323,  
26 Sec. 8 (part).)

27 Source Law

28 Sec. 8. . . . The hospital district may not  
29 issue general obligation bonds until the bonds are  
30 authorized by a majority of the qualified voters of the  
31 district voting at an election called and held for such  
32 purpose. The order for bond election shall specify the  
33 date of the election, the amount of bonds to be  
34 authorized, the maximum maturity thereof, the maximum  
35 rate of interest they are to bear, and the place or  
36 places where the election shall be held. Notice of any  
37 bond election shall be given as provided in Article  
38 704, Revised Statutes. . . .

1 Revisor's Note

2 (1) Section 8, Chapter 323, Acts of the 62nd  
3 Legislature, Regular Session, 1971, refers to a  
4 majority of the "qualified" voters of the district.  
5 The revised law omits "qualified" as unnecessary in  
6 this context because Chapter 11, Election Code,  
7 governs eligibility to vote in an election in this  
8 state and allows only "qualified" voters who are  
9 residents of the territory covered by the election to  
10 vote in an election.

11 (2) Section 8, Chapter 323, Acts of the 62nd  
12 Legislature, Regular Session, 1971, refers to an  
13 election "called and held." The revised law omits the  
14 reference to "calling" an election because, in this  
15 context, "calling" an election is included in the  
16 meaning of "holding" an election. Under Chapter 3,  
17 Election Code, all elections must be ordered (called)  
18 before they may be held.

19 (3) Section 8, Chapter 323, Acts of the 62nd  
20 Legislature, Regular Session, 1971, refers to Article  
21 704, Revised Statutes, which specifies certain notice  
22 requirements for a bond election. That provision was  
23 codified in 1999 as Section 1251.003, Government Code.  
24 The revised law is drafted accordingly.

25 (4) Section 8, Chapter 323, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides that the  
27 Election Code governs the election, except as  
28 otherwise provided by that section. The revised law  
29 omits the provision as unnecessary because Section  
30 1.002, Election Code, provides that the Election Code  
31 applies to all elections held in this state. An  
32 exception to the application of the Election Code  
33 would apply by its own terms. The omitted law reads:

34 Sec. 8. . . . Except as otherwise  
35 provided by this section, the election

1 shall be held in accordance with the  
2 applicable provisions of the Election Code.

3 Revised Law

4 Sec. 1114.204. REVENUE BONDS. (a) The board may issue  
5 revenue bonds to:

6 (1) purchase, construct, acquire, repair, equip, or  
7 renovate buildings or improvements for hospital purposes;

8 (2) acquire sites to be used for hospital purposes; or

9 (3) acquire and operate a mobile emergency medical  
10 service.

11 (b) The bonds must be payable from and secured by a pledge of  
12 all or part of the revenue derived from the operation of the  
13 district's hospital system.

14 (c) The bonds may be additionally secured by a mortgage or  
15 deed of trust lien on all or part of district property.

16 (d) The bonds must be issued in the manner prescribed by  
17 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
18 Health and Safety Code, for issuance of revenue bonds by a county  
19 hospital authority. (Acts 62nd Leg., R.S., Ch. 323, Sec. 8A.)

20 Source Law

21 Sec. 8A. The board of directors may issue  
22 revenue bonds to purchase, construct, acquire, repair,  
23 equip, or renovate buildings or improvements for  
24 hospital purposes, acquire sites to be used for  
25 hospital purposes, or acquire and operate a mobile  
26 emergency medical service. The bonds must be payable  
27 from and secured by a pledge of all or part of the  
28 revenues derived from the operation of the district's  
29 hospital system. The bonds may be additionally  
30 secured by a mortgage or deed of trust lien on all or  
31 part of district property. The bonds must be issued in  
32 the manner provided by Sections 8, 10, 11, 12, and 13,  
33 County Hospital Authority Act (Article 4494r, Vernon's  
34 Texas Civil Statutes), for issuance of revenue bonds  
35 by county hospital authorities.

36 Revisor's Note

37 Section 8A, Chapter 323, Acts of the 62nd  
38 Legislature, Regular Session, 1971, refers to Sections  
39 8 and 10 through 13 of the County Hospital Authority  
40 Act (Article 4494r, Vernon's Texas Civil Statutes).  
41 Those provisions were codified in 1989 as Sections  
42 264.042, 264.043, 264.046, 264.047, 264.048, and

1 264.049, Health and Safety Code. The revised law is  
2 drafted accordingly.

3 Revised Law

4 Sec. 1114.205. PROMISSORY NOTES. (a) The board may execute  
5 and deliver promissory notes to purchase, construct, acquire,  
6 repair, equip, or renovate buildings and improvements for hospital  
7 purposes.

8 (b) The notes may be secured by:

9 (1) a mortgage or deed of trust lien on all or part of  
10 the district property; or

11 (2) a pledge of revenues derived from the operation of  
12 the district's hospital.

13 (c) The notes may be paid from:

14 (1) taxes imposed by the district, not to exceed the  
15 tax rate approved by the voters; and

16 (2) the revenues derived from the operation of the  
17 district's hospital.

18 (d) The total amount of revenues pledged under Subsection  
19 (b)(2) may not exceed 50 percent of the estimated revenues for the  
20 period the pledge is effective. (Acts 62nd Leg., R.S., Ch. 323,  
21 Sec. 9.)

22 Source Law

23 Sec. 9. In addition to the power to issue bonds  
24 payable from taxes levied by the district as  
25 contemplated by the preceding section, the board of  
26 directors is further authorized to execute and deliver  
27 promissory notes of the district for the purchasing,  
28 construction, acquiring, repairing, equipping or  
29 renovating buildings and improvements for hospital  
30 purposes, and such notes may be secured by a mortgage  
31 or deed of trust lien on any part or all of its  
32 properties. Any such notes issued may be paid from  
33 taxes levied by the district so long as such payment  
34 does not exceed the rate voted under the provisions of  
35 Section 3 of this Act, and further such notes may be  
36 payable from and secured by a pledge of the revenues of  
37 the district to be derived from the operation of its  
38 hospital, but the total amount of revenues of the  
39 district pledged shall never exceed fifty percent of  
40 the estimated revenues for the period such pledge is  
41 effective.

42 Revisor's Note

43 Section 9, Chapter 323, Acts of the 62nd

1 Legislature, Regular Session, 1971, states that  
2 promissory notes issued may be paid from taxes imposed  
3 by the district "so long as such payment does not  
4 exceed the rate voted under the provisions of Section 3  
5 of this Act." The revised law substitutes "not to  
6 exceed the tax rate approved by the voters" for the  
7 quoted language for the reasons stated in Revisor's  
8 Note (2) to Section 1114.202.

9 Revised Law

10 Sec. 1114.206. REFUNDING BONDS. (a) District refunding  
11 bonds may be issued to refund outstanding bonded indebtedness of  
12 the district.

13 (b) A refunding bond may be:

14 (1) sold, with the proceeds of the refunding bond  
15 applied to the payment of outstanding bonded indebtedness; or

16 (2) exchanged wholly or partly for not less than a  
17 similar principal amount of outstanding indebtedness. (Acts 62nd  
18 Leg., R.S., Ch. 323, Sec. 8B (part).)

19 Source Law

20 Sec. 8B. Refunding bonds of the district may be  
21 issued for the purpose of refunding and paying off any  
22 outstanding bonded indebtedness of the district. . . .  
23 Such refunding bonds may be sold and the proceeds  
24 thereof applied to the payment of outstanding bonded  
25 indebtedness, or may be exchanged in whole or in part  
26 for not less than a like principal amount of such  
27 outstanding bonded indebtedness, . . . .

28 Revisor's Note

29 (1) Section 8B, Chapter 323, Acts of the 62nd  
30 Legislature, Regular Session, 1971, requires the  
31 district to issue refunding bonds in the manner  
32 prescribed by Chapter 784, Acts of the 61st  
33 Legislature, Regular Session, 1969 (Article 717k-3,  
34 Vernon's Texas Civil Statutes), and, for refunding  
35 bonds that will be sold, to issue the bonds and to make  
36 payments on the bonds in the manner prescribed by  
37 Chapter 503, Acts of the 54th Legislature, Regular  
38 Session, 1955 (Article 717k, Vernon's Texas Civil

1 Statutes). Articles 717k and 717k-3 were codified in  
2 1999 as Chapter 1207, Government Code. The revised law  
3 omits the provisions because Chapter 1207, Government  
4 Code, applies to the district by its own terms under  
5 Section 1207.001, Government Code. The omitted law  
6 reads:

7           Sec. 8B. . . . The bonds must be  
8 issued in the manner provided by Chapter  
9 784, Acts of the 61st Legislature, Regular  
10 Session, 1969 (Article 717k-3, Vernon's  
11 Texas Civil Statutes). . . . If such  
12 refunding bonds are to be sold and the  
13 proceeds thereof applied to the payment of  
14 any such outstanding bonded indebtedness,  
15 same shall be issued and payments made in  
16 the manner specified by Chapter 503, Acts of  
17 the 54th Legislature, Regular Session, 1955  
18 (Article 717k, Vernon's Texas Civil  
19 Statutes).

20           (2) Section 8B, Chapter 323, Acts of the 62nd  
21 Legislature, Regular Session, 1971, provides that  
22 refunding bonds must bear interest at the same or a  
23 lower rate than the debt refunded unless a savings is  
24 shown. The revised law omits this provision because it  
25 has been superseded by the enactment of the maximum  
26 interest rate provision found in Section 1204.006,  
27 Government Code. That section reflects the 1981  
28 amendment of Chapter 3, Acts of the 61st Legislature,  
29 Regular Session, 1969 (Article 717k-2, Vernon's Texas  
30 Civil Statutes, now Chapter 1204, Government Code), by  
31 Section 1, Chapter 61, Acts of the 67th Legislature,  
32 Regular Session, 1981, and permits a public agency,  
33 including a hospital district, to issue public  
34 securities at any net effective interest rate of 15  
35 percent or less. Section 1204.006 applies to district  
36 bonds by application of Section 1204.001, Government  
37 Code. The omitted law reads:

38           Sec. 8B. . . . provided that, if  
39 refunding bonds are to be exchanged for a  
40 like amount of said outstanding bonded  
41 indebtedness, such refunding bonds shall  
42 bear interest at the same or a lower rate  
43 than borne by the bond debt refunded, unless

1 it is shown mathematically that a saving  
2 will result in the total amount of interest  
3 to be paid on said refunding bonds. . . .

4 Revised Law

5 Sec. 1114.207. MATURITY OF BONDS. District bonds must  
6 mature not later than 50 years after the date of issuance. (Acts  
7 62nd Leg., R.S., Ch. 323, Sec. 8C (part).)

8 Source Law

9 Sec. 8C. Bonds of the district . . . shall  
10 finally mature within 50 years of their date. . . .

11 Revised Law

12 Sec. 1114.208. EXECUTION OF BONDS. The board president  
13 shall execute the district's bonds in the district's name, and the  
14 board secretary shall countersign the bonds in the manner provided  
15 by Chapter 618, Government Code. (Acts 62nd Leg., R.S., Ch. 323,  
16 Sec. 8C (part).)

17 Source Law

18 Sec. 8C. . . . The bonds shall be executed in  
19 the name of the hospital district and in its behalf by  
20 the president of the board and countersigned by the  
21 secretary in the manner provided by the Texas Uniform  
22 Facsimile Signature of Public Officials Act (Article  
23 717j-1, Vernon's Texas Civil Statutes). . . .

24 Revisor's Note

25 (1) Section 8C, Chapter 323, Acts of the 62nd  
26 Legislature, Regular Session, 1971, refers to the  
27 "Texas Uniform Facsimile Signature of Public Officials  
28 Act (Article 717j-1, Vernon's Texas Civil Statutes)."  
29 That statute was codified in 1999 as Chapter 618,  
30 Government Code, and the revised law is drafted  
31 accordingly.

32 (2) Section 8C, Chapter 323, Acts of the 62nd  
33 Legislature, Regular Session, 1971, provides that  
34 district bonds issued must bear interest at a rate that  
35 does not exceed the rate provided by Chapter 3, Acts of  
36 the 61st Legislature, Regular Session, 1969 (Article  
37 717k-2, Vernon's Texas Civil Statutes). The revised  
38 law omits that provision because the maximum interest  
39 rate noted in Chapter 3 was revised in 1999 as Section

1 1204.006, Government Code, and Section 1204.006  
2 applies to the district by its terms under Section  
3 1204.001, Government Code. The omitted law reads:

4           Sec. 8C. [Bonds of the district]  
5           shall bear interest not to exceed that  
6           provided by Chapter 3, Acts of the 61st  
7           Legislature, Regular Session, 1969 (Article  
8           717k-2, Vernon's Texas Civil Statutes), and  
9           . . . .

10           (3) Section 8C, Chapter 323, Acts of the 62nd  
11           Legislature, Regular Session, 1971, provides that  
12           district bonds are subject to the law governing  
13           counties that relates to bond approval by the attorney  
14           general and registration of the bonds by the  
15           comptroller. Section 8C also provides that after  
16           approval and registration the bonds are "incontestable  
17           for any cause." The revised law omits those provisions  
18           as superseded by Chapter 1202, Government Code  
19           (enacted as Article 3, Chapter 53, Acts of the 70th  
20           Legislature, 2nd Called Session, 1987). Section  
21           1202.003(a), Government Code, requires bonds to be  
22           submitted to the attorney general. Section  
23           1202.003(b), Government Code, provides for approval of  
24           the bonds by the attorney general and requires the  
25           attorney general to submit the approved bonds to the  
26           comptroller for registration. Section 1202.005,  
27           Government Code, requires registration of the bonds by  
28           the comptroller. Section 1202.006, Government Code,  
29           provides that after approval and registration the  
30           bonds are incontestable and binding obligations.  
31           Chapter 1202, Government Code, applies to bonds issued  
32           under this chapter by application of Section 1202.001,  
33           Government Code. The omitted law reads:

34           Sec. 8C. . . . District bonds are  
35           subject to the same requirements in the  
36           matter of approval by the Attorney General  
37           of Texas and registration by the  
38           Comptroller of Public Accounts of the State  
39           of Texas as are by law provided for approval  
40           and registration of bonds issued by

1 counties. Upon the approval of such bonds by  
2 the Attorney General and registration by  
3 the Comptroller of Public Accounts, the  
4 same shall be incontestable for any cause.

5 Revised Law

6 Sec. 1114.209. BONDS EXEMPT FROM TAXATION. The following  
7 are exempt from taxation by this state or a political subdivision of  
8 this state:

- 9 (1) bonds issued or assumed by the district;  
10 (2) the transfer and issuance of the bonds; and  
11 (3) profits made in the sale of the bonds. (Acts 62nd  
12 Leg., R.S., Ch. 323, Sec. 20 (part).)

13 Source Law

14 Sec. 20. . . . the district . . . any bonds  
15 issued or assumed by it and their transfer and the  
16 issuance thereof, including any profits made in the  
17 sale thereof, shall at all times be free from taxation  
18 by the State or any municipality or political  
19 subdivision thereof.

20 Revisor's Note

21 Section 20, Chapter 323, Acts of the 62nd  
22 Legislature, Regular Session, 1971, refers to "any  
23 municipality or political subdivision" of this state.  
24 The revised law omits "municipality" for the reason  
25 stated in Revisor's Note (2) to Section 1114.102.

26 Revisor's Note  
27 (End of Subchapter)

28 (1) Section 8D(a), Chapter 323, Acts of the 62nd  
29 Legislature, Regular Session, 1971, provides that  
30 district bonds are legal and authorized investments  
31 for certain entities. The revised law omits that  
32 provision as unnecessary. As to several of the  
33 entities listed, Section 8D(a) has been superseded and  
34 impliedly repealed or it duplicates existing law.  
35 Investments in securities by banks are regulated by  
36 Section 34.101, Finance Code (enacted in 1995 as  
37 Section 5.101, Texas Banking Act (Article 342-5.101,  
38 Vernon's Texas Civil Statutes)). Investments in  
39 securities by savings banks are regulated by Section

1 93.001(c)(10), Finance Code (enacted in 1993 as  
2 Section 7.15(10), Texas Savings Bank Act (Article  
3 489e, Vernon's Texas Civil Statutes)). Investments in  
4 securities by trust companies are regulated by Section  
5 184.101, Finance Code (enacted in 1997 as Section  
6 5.101, Texas Trust Company Act (Article 342a-5.101,  
7 Vernon's Texas Civil Statutes)). Investments in  
8 securities by savings and loan associations are  
9 regulated by Sections 63.002 and 64.001, Finance Code.  
10 As to the remaining entities listed, Section 8D(a)  
11 duplicates Section 1201.041, Government Code (enacted  
12 as Section 9, Bond Procedures Act of 1981 (Article  
13 717k-6, Vernon's Texas Civil Statutes)). While  
14 Section 8D(a) lists "guardians" and Section 1201.041,  
15 Government Code, does not, the latter statute includes  
16 "a fiduciary" and a guardian is a fiduciary. Section  
17 1201.041, Government Code, applies to district bonds  
18 by application of Section 1201.002, Government Code.  
19 The revised law omits the reference to public funds of  
20 this state because it has been superseded by Section  
21 404.024, Government Code (enacted in 1985 as Section  
22 2.014, Treasury Act (Article 4393-1, Vernon's Texas  
23 Civil Statutes), and last amended in 2007), which  
24 governs the investment of state funds. Section  
25 404.024(b)(10), Government Code, as added by Chapter  
26 426, Acts of the 74th Legislature, Regular Session,  
27 1995, authorizes the investment of state funds in  
28 obligations of political subdivisions, including  
29 hospital districts. The revised law omits the  
30 reference to public funds of political subdivisions or  
31 public agencies of the state because it has been  
32 superseded by Chapter 2256, Government Code (enacted  
33 in 1987 as the Public Funds Investment Act of 1987  
34 (Article 842a-2, Vernon's Texas Civil Statutes)),

1 which governs the investment of local funds. The  
2 omitted law reads:

3           Sec. 8D. (a) District bonds and  
4 indebtedness assumed by the district are  
5 legal and authorized investments for:

- 6                   (1) banks;  
7                   (2) savings banks;  
8                   (3) trust companies;  
9                   (4) savings and loan  
10 associations;  
11                   (5) insurance companies;  
12                   (6) fiduciaries;  
13                   (7) trustees;  
14                   (8) guardians; and  
15                   (9) sinking funds of cities,  
16 counties, school districts, and other  
17 political subdivisions of the state and  
18 other public funds of the state and its  
19 agencies, including the permanent school  
20 fund.

21           (2) Section 8D(b), Chapter 323, Acts of the 62nd  
22 Legislature, Regular Session, 1971, provides that  
23 district bonds may secure deposits of public funds of  
24 this state or political subdivisions of this state.  
25 The revised law omits the provisions relating to  
26 deposits of state funds as impliedly repealed by  
27 Section 404.0221, Government Code (enacted in 1995),  
28 which lists eligible collateral for deposits of state  
29 funds by the comptroller. As to deposits of other  
30 funds, this provision duplicates Chapter 2257,  
31 Government Code, which governs eligible collateral for  
32 deposits of funds of other public agencies, including  
33 political subdivisions, and permits those deposits to  
34 be secured by obligations issued by hospital  
35 districts. The omitted law reads:

36                   (b) District bonds are eligible to  
37 secure deposits of public funds of the state  
38 and of cities, counties, school districts,  
39 and other political subdivisions of the  
40 state. The bonds are lawful and sufficient  
41 security for deposits to the extent of their  
42 value if accompanied by all unmatured  
43 coupons.

44           [Sections 1114.210-1114.250 reserved for expansion]

1 SUBCHAPTER F. TAXES

2 Revised Law

3 Sec. 1114.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
4 may impose a tax on all property in the district subject to district  
5 taxation.

6 (b) The board may impose the tax to:

7 (1) pay the indebtedness issued or assumed by the  
8 district; and

9 (2) maintain and operate the district. (Acts 62nd  
10 Leg., R.S., Ch. 323, Secs. 13(a) (part), (c) (part).)

11 Source Law

12 Sec. 13. (a) The board of directors may  
13 annually levy a tax . . . . The taxes may be used to  
14 pay the indebtedness issued or assumed by the district  
15 and for the maintenance and operation of the district.

16 (c) . . . The board shall levy taxes on all  
17 property in the district subject to taxation.

18 Revised Law

19 Sec. 1114.252. TAX RATE. (a) The board may impose the tax  
20 at a rate not to exceed 15 cents on each \$100 valuation of all  
21 taxable property in the district.

22 (b) In setting the tax rate, the board shall consider the  
23 income of the district from sources other than taxation. (Acts 62nd  
24 Leg., R.S., Ch. 323, Secs. 3(b) (part), 13(a) (part), (b) (part).)

25 Source Law

26 [Sec. 3]

27 (b) . . . [hospital district shall be created  
28 with the authority to levy annual taxes at] . . .

29 (2) . . . a rate not to exceed fifteen  
30 cents on the One Hundred Dollar (\$100) valuation . . .  
31 [on all taxable property in the district] . . . .

32 Sec. 13. (a) [The board of directors may  
33 annually levy a tax] of not to exceed the amount  
34 hereinabove permitted. . . .

35 (b) In setting such tax rate, the board shall  
36 take into consideration the income of the district  
37 from sources other than taxation. . . .

38 Revisor's Note

39 Section 13(b), Chapter 323, Acts of the 62nd  
40 Legislature, Regular Session, 1971, requires the board  
41 to levy the tax and to certify the tax rate to the tax

1           assessor-collector.     The revised law omits that  
2           provision because Section 26.05(a), Tax Code, requires  
3           the governing body of a taxing unit to adopt a tax rate  
4           for the current tax year and to notify the tax assessor  
5           for the taxing unit of that rate.   The omitted law  
6           reads:

7                           (b) . . . Upon determination of the  
8                           amount of tax required to be levied, the  
9                           board shall make such levy and certify the  
10                           same to the tax assessor-collector of said  
11                           district.

12   Revised Law

13           Sec. 1114.253.   TAX ASSESSOR-COLLECTOR.     The board may  
14           provide for the appointment of a tax assessor-collector for the  
15           district or may contract for the assessment and collection of taxes  
16           as provided by the Tax Code.   (Acts 62nd Leg., R.S., Ch. 323, Sec. 14  
17           (part).)

18   Source Law

19                           Sec. 14. . . . The board of directors may  
20                           provide for the appointment of a tax  
21                           assessor-collector for the district or may contract  
22                           for the assessment and collection of taxes as provided  
23                           by the Tax Code.

24   Revisor's Note  
25   (End of Subchapter)

26                           (1) Section 13(c), Chapter 323, Acts of the 62nd  
27                           Legislature, Regular Session, 1971, provides that the  
28                           board may impose taxes for the entire year in which the  
29                           district is established.   The revised law omits that  
30                           provision as executed.   The omitted law reads:

31   (c) The directors shall have the  
32   authority to levy taxes for the entire  
33   calendar year in which the district is  
34   established as the result of the election  
35   herein provided. . . .

36                           (2) Section 14, Chapter 323, Acts of the 62nd  
37                           Legislature, Regular Session, 1971, provides that the  
38                           Tax Code governs the appraisal, assessment, and  
39                           collection of district taxes.   The revised law omits  
40                           this provision as unnecessary because Title 1, Tax  
41                           Code, governs the appraisal of property for and the

1 assessment and collection of ad valorem taxes by all  
2 taxing units in this state, including hospital  
3 districts. See Section 1.02, Tax Code. The omitted  
4 law reads:

5           Sec. 14. The Tax Code governs the  
6           appraisal, assessment, and collection of  
7           district taxes. . . .

8           [Sections 1114.254-1114.300 reserved for expansion]

9                           SUBCHAPTER G. DISSOLUTION

10   Revised Law

11           Sec. 1114.301. DISSOLUTION; ELECTION.           (a)           The  
12 commissioners court shall order an election on the question of  
13 dissolution of the district if the board receives a petition of 20  
14 percent of the voters in the district.

15           (b) The commissioners court on its own motion may order an  
16 election on the question of dissolution of the district.

17           (c) An order calling an election under this section must  
18 contain:

- 19                   (1) the time of the election;  
20                   (2) the location of the polling places;  
21                   (3) the issue to be printed on the ballot; and  
22                   (4) the presiding judge for each polling place. (Acts  
23 62nd Leg., R.S., Ch. 323, Secs. 23(a), (b).)

24   Source Law

25           Sec. 23. (a) On receiving the petition of 20  
26 percent of the electors of a hospital district the  
27 Commissioners Court shall order an election to  
28 determine whether or not the hospital district should  
29 be dissolved. The Commissioners Court may order such  
30 an election on its own motion.

31           (b) The order calling the election shall contain  
32 the time and place or places of holding the election,  
33 the issue to be printed on the ballot and the presiding  
34 judge for each voting place.

35   Revisor's Note

36           Section 23(a), Chapter 323, Acts of the 62nd  
37 Legislature, Regular Session, 1971, refers to a  
38 petition signed by "20 percent of the electors" in the  
39 district. Throughout this chapter, the revised law  
40 substitutes "voters" for "electors" because "voters"

1 is the term used in the Election Code.

2 Revised Law

3 Sec. 1114.302. NOTICE OF ELECTION. The commissioners court  
4 shall publish a substantial copy of the election order in a  
5 newspaper with general circulation in the district once a week for  
6 two consecutive weeks before the date of the election. (Acts 62nd  
7 Leg., R.S., Ch. 323, Sec. 23(c).)

8 Source Law

9 (c) The Commissioners Court shall publish a  
10 substantial copy of the election order in a newspaper  
11 of general circulation in the hospital district once a  
12 week for two consecutive weeks before the date of the  
13 election.

14 Revised Law

15 Sec. 1114.303. BALLOT. The ballot for an election under  
16 this subchapter must provide for voting for or against the  
17 following proposition: "Dissolution of the Willacy County Hospital  
18 District." (Acts 62nd Leg., R.S., Ch. 323, Sec. 23(f).)

19 Source Law

20 (f) The ballot for the election shall provide  
21 for voting for or against the following proposition:  
22 "Dissolution of the Willacy County Hospital District."

23 Revised Law

24 Sec. 1114.304. ELECTION RESULTS. (a) If a majority of the  
25 voters in an election favor dissolution, the commissioners court  
26 shall declare the results and order the district dissolved. A copy  
27 of the order must be placed in the minutes of the commissioners  
28 court.

29 (b) If the election results do not favor dissolution, the  
30 commissioners court may not order another election under this  
31 subchapter before the first anniversary of the date the election  
32 results were officially announced.

33 (c) A copy of the election results must be filed with the  
34 county clerk and become a public record. (Acts 62nd Leg., R.S., Ch.  
35 323, Secs. 23(d) (part), (e).)

36 Source Law

37 (d) . . . A copy of the results shall be filed  
38 with the county clerk and become a public record. If a

1 majority of the electors voting in the election vote to  
2 dissolve the district, the Commissioners Court shall  
3 declare the results and order the district dissolved.  
4 A copy of the order shall be placed in the minutes of  
5 the Commissioners Court.

6 (e) If the proposition to dissolve the district  
7 fails to carry at the election, the Commissioners  
8 Court may not order another election for the same  
9 purpose within one year after the result is announced  
10 officially.

11 Revisor's Note

12 Section 23(d), Chapter 323, Acts of the 62nd  
13 Legislature, Regular Session, 1971, provides that the  
14 presiding judge of each voting place shall count the  
15 votes and certify the results to the commissioners  
16 court within 10 days. The revised law omits those  
17 requirements as superseded by Sections 67.002, 67.003,  
18 and 67.004, Election Code (enacted as Section 1,  
19 Chapter 211, Acts of the 69th Legislature, Regular  
20 Session, 1985), which require the governing body of a  
21 political subdivision that orders an election to  
22 canvass the returns and provide the time frame and  
23 procedures for the canvass. The omitted law reads:

24 (d) The presiding judge of each  
25 voting place shall supervise the counting  
26 of all votes cast and shall certify the  
27 results to the Commissioners Court within  
28 10 days after the election. . . .

29 Revised Law

30 Sec. 1114.305. DETERMINATION OF DEBT. After issuing the  
31 dissolution order, the commissioners court shall:

- 32 (1) determine the full debt owed by the district; and  
33 (2) correct the last approved assessment rolls of the  
34 district by adding any property accidentally omitted before the  
35 dissolution order was issued. (Acts 62nd Leg., R.S., Ch. 323, Sec.  
36 23(g).)

37 Source Law

38 (g) After it issues the dissolution order, the  
39 Commissioners Court shall:

- 40 (1) Determine the full debt owed by the  
41 district;  
42 (2) Correct the last approved assessment  
43 rolls of the district by adding any property  
44 accidentally omitted before the dissolution order was  
45 issued.



1 Legislature, Regular Session, 1987, validates all  
2 resolutions, orders, and other acts or attempted acts  
3 of the board before September 1, 1987, the date on  
4 which Section 7 became effective. The revised law  
5 omits this provision as executed. The omitted law  
6 reads:

7           Sec. 7. All resolutions, orders, and  
8 other acts or attempted acts of the board of  
9 directors of the Willacy County Hospital  
10 District, and all proceedings of that  
11 district, authorizing the issuance of bonds  
12 of the district, including voted but  
13 unissued bonds of the district, bond  
14 elections, all taxes voted for and  
15 collected, and all contracts are validated  
16 in all respects. All the resolutions,  
17 orders, and other acts or attempted acts of  
18 the board of directors of the district, all  
19 proceedings of the district, the district's  
20 bonds, bond elections, tax authorization  
21 and collection, pledged revenues, and  
22 contracts shall be valid as though they had  
23 originally been duly and legally authorized  
24 or accomplished.

25           (5) Section 8, Chapter 1117, Acts of the 70th  
26 Legislature, Regular Session, 1987, requires an  
27 election on the January uniform election date in 1988  
28 to elect nine new directors, specifies the terms of  
29 those directors, and provides that current directors'  
30 terms expire when the newly elected directors qualify  
31 for office. The revised law omits the provision as  
32 executed. The omitted law reads:

33           Sec. 8. (a) An election shall be  
34 held on the January uniform election date in  
35 1988 to elect nine new directors for the  
36 Willacy County Hospital District. The  
37 candidates elected from odd-numbered  
38 precincts at this election and the  
39 candidate elected from the district at  
40 large serve two-year terms. The candidates  
41 elected from the even-numbered precincts at  
42 the election serve for one-year terms.

43           (b) The terms of the persons serving  
44 as directors of the Willacy County Hospital  
45 District on the effective date of this Act  
46 expire when the directors elected under  
47 Subsection (a) of this section qualify for  
48 office.

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13 CHAPTER 1115. WILSON COUNTY MEMORIAL HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Revised Law

16 Sec. 1115.001. DEFINITIONS. In this chapter:

- 17 (1) "Board" means the board of directors of the
- 18 district.
- 19 (2) "Director" means a member of the board.
- 20 (3) "District" means the Wilson County Memorial
- 21 Hospital District. (New.)

22 Revisor's Note

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

27 Revised Law

28 Sec. 1115.002. AUTHORITY FOR OPERATION. The Wilson County  
 29 Memorial Hospital District operates and is administered and  
 30 financed in accordance with Section 9, Article IX, Texas  
 31 Constitution, and has the rights, powers, and duties provided by  
 32 this chapter. (Acts 65th Leg., R.S., Ch. 511, Sec. 1 (part).)

33 Source Law

34 Sec. 1. In accordance with the provisions of  
 35 Article IX, Section 9 of the Texas Constitution, this

1 Act authorizes the creation, establishment,  
2 administration, maintenance, operation, and financing  
3 of a hospital district within this state, . . . to be  
4 known as Wilson County Memorial Hospital District with  
5 the rights, powers, and duties as provided in this Act.

6 Revisor's Note

7 Section 1, Chapter 511, Acts of the 65th  
8 Legislature, Regular Session, 1977, authorizes the  
9 "creation, establishment, administration,  
10 maintenance, operation, and financing" of the  
11 district. The revised law omits "creation" and  
12 "establishment" as executed. The revised law omits  
13 "maintenance" because, in this context, the meaning of  
14 that term is included in the meaning of "operation."

15 Revised Law

16 Sec. 1115.003. ESSENTIAL PUBLIC FUNCTION. The district  
17 performs an essential public function in carrying out the purposes  
18 of this chapter. (Acts 65th Leg., R.S., Ch. 511, Sec. 21 (part).)

19 Source Law

20 Sec. 21. In carrying out the purposes of this  
21 Act, the district will be performing an essential  
22 public function, and . . . .

23 Revised Law

24 Sec. 1115.004. DISTRICT TERRITORY. The boundaries of the  
25 district are coextensive with the boundaries of Wilson County,  
26 Texas. (Acts 65th Leg., R.S., Ch. 511, Sec. 1 (part).)

27 Source Law

28 Sec. 1. . . . the boundaries of which shall  
29 include all of the land or territory in Wilson County,  
30 Texas, . . . .

31 Revised Law

32 Sec. 1115.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
33 OBLIGATION. The support and maintenance of the district may not  
34 become a charge against or obligation of this state. (Acts 65th  
35 Leg., R.S., Ch. 511, Sec. 20 (part).)

36 Source Law

37 Sec. 20. The support and maintenance of the  
38 hospital district shall never become a charge against  
39 or obligation of the State of Texas, . . . .



1 confirmation election may be held within 12  
2 months of any preceding election for the  
3 same purpose. If the district is not  
4 confirmed at an election held within 60  
5 months from the effective date of this Act,  
6 this Act is repealed.

7 (b) At the election, there shall be  
8 submitted to the electors of the area of the  
9 proposed district the proposition of  
10 whether the hospital district shall be  
11 created with authority to levy annual taxes  
12 . . . for the purpose of meeting the  
13 requirements of the district's bonds,  
14 indebtedness assumed by it, and its  
15 maintenance and operating expenses, and a  
16 majority of the electors of the area of the  
17 proposed district voting at the election in  
18 favor of the proposition shall be  
19 sufficient for its adoption.

20 (c) The form of ballot used at the  
21 election for the creation of the district  
22 shall be in conformity with Section 61,  
23 Texas Election Code, as amended (Article  
24 6.05, Vernon's Texas Election Code), so that  
25 ballots may be cast for or against the  
26 following proposition: "The creation of the  
27 Wilson County Memorial Hospital District of  
28 Wilson County, Texas."

29 (d) Within 10 days after the election  
30 is held, the temporary directors of the  
31 district shall convene and canvass the  
32 returns of the election, and if the election  
33 results are favorable to the proposition  
34 specified in Section 3 of this Act, the  
35 board shall so find and declare the hospital  
36 district established and created.

37 Sec. 8. A petition for an election to  
38 create the hospital district, as provided  
39 in Section 3 of this Act, may incorporate a  
40 request that a separate proposition be  
41 submitted at the election as to whether the  
42 board of directors of the district, in the  
43 event it is created, shall be authorized to  
44 issue bonds for the purposes specified in  
45 Section 7 of this Act. The petition shall  
46 specify the maximum amount of bonds to be  
47 issued and their maximum maturity, and  
48 shall be included in the proposition  
49 submitted at the election. The temporary  
50 board, on its own motion, may submit a  
51 proposition on whether bonds will be issued  
52 for the purposes specified in Section 7 of  
53 this Act, irrespective of whether a  
54 petition so requests and irrespective of  
55 whether a petition is presented.

56 [Sections 1115.007-1115.050 reserved for expansion]

57 SUBCHAPTER B. DISTRICT ADMINISTRATION

58 Revised Law

59 Sec. 1115.051. BOARD ELECTION; TERM. (a) The board  
60 consists of nine directors elected as follows:

61 (1) two directors elected from each county

1 commissioners precinct of Wilson County; and

2 (2) one director elected from the district at large.

3 (b) The candidate from each commissioners precinct  
4 receiving the highest number of votes from that precinct is elected  
5 as director from that precinct. The candidate from the district at  
6 large receiving the highest number of votes from the district at  
7 large is elected as the director from the district at large.

8 (c) Unless four-year terms are established under Section  
9 285.081, Health and Safety Code:

10 (1) directors serve staggered two-year terms;

11 (2) each year one director is elected from each  
12 precinct; and

13 (3) in odd-numbered years, a director is elected from  
14 the district at large.

15 (d) A directors' election shall be held on the uniform  
16 election date in May of each year or another date authorized by law.

17 (Acts 65th Leg., R.S., Ch. 511, Sec. 4(c) (part).)

18 Source Law

19 (c) The board of directors consists of nine  
20 members who serve staggered, two-year terms with two  
21 directors elected from each commissioners precinct in  
22 Wilson County and one director elected from the  
23 district at large. Each year one director is elected  
24 from each precinct, and in odd-numbered years a  
25 director is elected from the district at large. Of the  
26 candidates running for director from a precinct, the  
27 candidate receiving the highest number of votes from  
28 each precinct is a director for that precinct, and the  
29 candidate receiving the highest number of votes from  
30 the district at large is the director for the district  
31 at large. All elections of directors shall be held on  
32 the first Saturday in April. . . .

33 Revisor's Note

34 (1) Section 4(c), Chapter 511, Acts of the 65th  
35 Legislature, Regular Session, 1977, provides that the  
36 directors serve two-year terms. Section 285.081,  
37 Health and Safety Code, applicable to this district,  
38 provides a mechanism by which the governing board of a  
39 hospital district, on its own motion, may order that  
40 the directors are to be elected in even-numbered years  
41 to serve staggered four-year terms. The revised law is

1 drafted accordingly and adds a reference to Section  
2 285.081, Health and Safety Code, for the convenience  
3 of the reader.

4 (2) Sections 4(a) and (b), Chapter 511, Acts of  
5 the 65th Legislature, Regular Session, 1977, prescribe  
6 the procedure for the appointment and the terms of  
7 service of temporary directors. The revised law omits  
8 the provisions as executed. Throughout this chapter,  
9 the revised law omits references to "temporary"  
10 directors as executed. The omitted law reads:

11 Sec. 4. (a) On the effective date of  
12 this Act, the Commissioners Court of Wilson  
13 County shall appoint nine persons to serve  
14 as temporary directors. Each temporary  
15 director shall take the constitutional oath  
16 of office within 90 days of the effective  
17 date of this Act.

18 (b) Temporary directors shall serve  
19 for a period of two years or until the  
20 creation of the district is confirmed at an  
21 election, whichever date shall occur first.  
22 Any vacancy in the office of temporary  
23 director, whether by reason of failure to  
24 qualify or vacancy prior to the  
25 confirmation of the district at an  
26 election, shall be filled by appointment  
27 made by the County Judge of Wilson County.

28 (3) Section 4(c), Chapter 511, Acts of the 65th  
29 Legislature, Regular Session, 1977, provides for  
30 directors' elections to be held on the "first Saturday  
31 in April" each year. Chapter 14, Acts of the 69th  
32 Legislature, 3rd Called Session, 1986, amended Section  
33 41.001, Election Code, to prescribe certain uniform  
34 election dates and required a political subdivision  
35 that had held its general election of officers on the  
36 first Saturday in April to hold that election on a  
37 uniform election date in May or to choose a different  
38 uniform election date on which to hold the election.  
39 The district holds directors' elections on the uniform  
40 election date in May, and the revised law is drafted  
41 accordingly.

42 In addition, the revised law adds "or another

1 date authorized by law" to acknowledge other  
2 legislative enactments such as Section 41.0052,  
3 Election Code, as amended by Chapter 1318, Acts of the  
4 82nd Legislature, Regular Session, 2011, that would  
5 result in the election being held on a date other than  
6 the date provided by the source law.

7 (4) Section 2, Chapter 535, Acts of the 66th  
8 Legislature, Regular Session, 1979, provides for the  
9 expiration of the terms of the directors in office on  
10 the effective date of that act and provides for the  
11 staggering of the terms of certain directors by  
12 requiring the directors to serve one-year terms. The  
13 revised law omits the provisions as executed. The  
14 omitted law reads:

15 Sec. 2. The terms of directors of the  
16 Wilson County Memorial Hospital District  
17 who are incumbent on the effective date of  
18 this Act expire when their successors have  
19 been elected on the first Saturday in May,  
20 1980, and have qualified. The directors  
21 elected on that date from odd-numbered  
22 precincts shall serve one-year terms.

23 Revised Law

24 Sec. 1115.052. NOTICE OF ELECTION. At least 30 days before  
25 the date of a directors' election, notice of the election must be  
26 published one time in a newspaper or newspapers that individually  
27 or collectively have general circulation in the district. (Acts  
28 65th Leg., R.S., Ch. 511, Sec. 4(c) (part).)

29 Source Law

30 (c) . . . Notice of each election shall be  
31 published in a newspaper or newspapers which  
32 individually or collectively provide general  
33 circulation in the district one time at least 30 days  
34 before the date of the election. . . .

35 Revised Law

36 Sec. 1115.053. BALLOT PETITION. A person who wants to have  
37 the person's name printed on the ballot as a candidate for director  
38 must file with the board secretary a petition requesting that  
39 action. The petition must:

40 (1) be signed by at least 15 registered voters in the

1 district; and

2 (2) be filed by the deadline imposed by Section  
3 144.005, Election Code. (Acts 65th Leg., R.S., Ch. 511, Sec. 4(c)  
4 (part).)

5 Source Law

6 (c) . . . Any person desiring to have his name  
7 printed on the ballot as a candidate for director shall  
8 file with the secretary of the board of directors at  
9 least 30 days before the election a petition signed by  
10 at least 15 qualified electors asking that his name be  
11 printed on the ballot. . . .

12 Revisor's Note

13 (1) Section 4(c), Chapter 511, Acts of the 65th  
14 Legislature, Regular Session, 1977, refers to a  
15 petition signed by 15 "qualified electors."  
16 Throughout this chapter, the revised law substitutes  
17 "voters" for "electors" because "voters" is the term  
18 used in the Election Code. The revised law also  
19 substitutes "registered" for "qualified" because, in  
20 the context of eligibility to sign a petition, Section  
21 277.0021, Election Code, provides that "qualified"  
22 voter means "registered" voter.

23 (2) Section 4(c), Chapter 511, Acts of the 65th  
24 Legislature, Regular Session, 1977, requires a person  
25 who seeks to be a candidate for director to file a  
26 petition signed by at least 15 voters at least 30 days  
27 before the date of the election to have the candidate's  
28 name appear on the ballot. Under Section 144.003,  
29 Election Code (applicable to the district under  
30 Section 144.001, Election Code), a candidate for  
31 office must submit an application for a place on the  
32 ballot. The application must be filed by the deadline  
33 imposed by Section 144.005, Election Code, which is  
34 either 71 or 78 days before the date of the election,  
35 depending on when the election is held. Because the  
36 petition serves as an additional requirement for a  
37 candidate to appear on the ballot, the revised law

1 conforms the date the petition must be filed to the  
2 date the application must be filed.

3 Revised Law

4 Sec. 1115.054. QUALIFICATIONS FOR OFFICE. (a) A person may  
5 not be elected or appointed as a director unless the person is:

6 (1) a resident of the district; and

7 (2) a qualified voter.

8 (b) A person is not eligible for election as a director from  
9 a commissioners precinct unless the person is a resident of that  
10 precinct.

11 (c) A person is not eligible to serve as a director if the  
12 person is:

13 (1) the district administrator;

14 (2) the district attorney; or

15 (3) a district employee. (Acts 65th Leg., R.S., Ch.  
16 511, Sec. 4(d).)

17 Source Law

18 (d) No person shall be appointed or elected as a  
19 member of the temporary or permanent board of  
20 directors unless he is a resident of the district and a  
21 qualified elector. A person is not eligible for  
22 election as a director from a commissioners precinct  
23 unless he is a resident of that precinct. Neither the  
24 administrator, the attorney, nor any employee of the  
25 district shall be eligible to serve as a director.

26 Revised Law

27 Sec. 1115.055. BOARD VACANCY. (a) If a vacancy occurs in  
28 the office of director, the remaining directors shall fill the  
29 vacancy for the unexpired term.

30 (b) A person appointed under Subsection (a) to fill a  
31 vacancy from a precinct must be a resident of the precinct the  
32 person is to represent. (Acts 65th Leg., R.S., Ch. 511, Sec. 4(c)  
33 (part).)

34 Source Law

35 (c) . . . Vacancies in office shall be filled  
36 for the unexpired term by the remainder of the board of  
37 directors, but a person appointed to fill a vacancy  
38 from a precinct must be a resident of the precinct he  
39 is to represent.

1 Revised Law

2 Sec. 1115.056. OFFICERS. (a) The board shall elect:

3 (1) a president and a vice president from among its  
4 members; and

5 (2) a secretary, who need not be a director.

6 (b) Each officer of the board serves a one-year term.

7 (c) The board shall fill a vacancy in a board office for the  
8 unexpired term. (Acts 65th Leg., R.S., Ch. 511, Sec. 4(e) (part).)

9 Source Law

10 (e) The board of directors, temporary and  
11 permanent, shall organize by electing one of their  
12 number as president and one of their number as  
13 vice-president. A secretary, who need not be a  
14 director, shall also be elected. Officers shall be  
15 elected for a term of one year and vacancies shall be  
16 filled for the unexpired term by the board of  
17 directors, temporary or permanent. . . .

18 Revised Law

19 Sec. 1115.057. COMPENSATION; EXPENSES. A director or  
20 officer serves without compensation but may be reimbursed for  
21 actual expenses incurred in the performance of official duties on  
22 approval by the board. The expenses must be reported in the  
23 district's records. (Acts 65th Leg., R.S., Ch. 511, Sec. 4(e)  
24 (part).)

25 Source Law

26 (e) . . . All members of the board of directors  
27 and officers shall serve without compensation, but may  
28 be reimbursed for actual expenses incurred in the  
29 performance of their official duties on the approval  
30 of those expenses by the board of directors and  
31 reported in the minute book of the district or other  
32 records of the district.

33 Revisor's Note

34 Section 4(e), Chapter 511, Acts of the 65th  
35 Legislature, Regular Session, 1977, requires that  
36 approved expenses be reported in the "minute book of  
37 the district or other records of the district." The  
38 revised law omits "minute book of the district"  
39 because the minute book is a district record.

40 Revised Law

41 Sec. 1115.058. VOTING REQUIREMENT. A concurrence of five

1 directors is sufficient in any matter relating to district  
2 business. (Acts 65th Leg., R.S., Ch. 511, Sec. 4(e) (part).)

3 Source Law

4 (e) . . . [members of the board of directors]  
5 . . . a concurrence of five shall be sufficient in all  
6 matters pertaining to the business of the district.  
7 . . .

8 Revisor's Note

9 Section 4(e), Chapter 511, Acts of the 65th  
10 Legislature, Regular Session, 1977, provides that five  
11 directors constitute a quorum. The revised law omits  
12 that provision because it duplicates Section 311.013,  
13 Government Code (Code Construction Act), which  
14 provides that a quorum of a public body is a majority  
15 of the number of members fixed by statute. The omitted  
16 law reads:

17 (e) . . . Any five members of the  
18 board of directors shall constitute a  
19 quorum, and . . .

20 Revised Law

21 Sec. 1115.059. DISTRICT ADMINISTRATOR; ASSISTANT DISTRICT  
22 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
23 district administrator.

24 (b) The district administrator serves at the will of the  
25 board and shall receive the compensation determined by the board.

26 (c) On assuming the duties of district administrator, the  
27 administrator shall execute a bond payable to the district in the  
28 amount set by the board of not less than \$5,000 that:

29 (1) is conditioned on the administrator performing the  
30 administrator's required duties; and

31 (2) contains any other condition the board requires.

32 (d) The board may appoint an assistant district  
33 administrator. The assistant district administrator serves at the  
34 will of the board and receives the compensation determined by the  
35 board. (Acts 65th Leg., R.S., Ch. 511, Sec. 5 (part).)

36 Source Law

37 Sec. 5. . . . The board of directors shall

1 appoint qualified persons as the administrator or  
2 manager of the hospital district and . . . may in its  
3 discretion appoint an assistant to the administrator  
4 or manager. The administrator or manager, . . . , and  
5 assistant administrator or manager, if any, shall  
6 serve at the will of the board and shall receive such  
7 compensation as may be fixed by the board. The  
8 administrator or manager shall on assuming his duties  
9 execute a bond payable to the hospital district in an  
10 amount to be set by the board of directors, in no event  
11 less than \$5,000, conditioned that he shall perform  
12 the duties required of him and containing such other  
13 conditions as the board may require. . . .

14 Revisor's Note

15 Section 5, Chapter 511, Acts of the 65th  
16 Legislature, Regular Session, 1977, provides that the  
17 board shall appoint a person as the "administrator or  
18 manager" of the district. Throughout this chapter,  
19 the revised law omits "manager" because, in context,  
20 "manager" is included in the meaning of  
21 "administrator."

22 Revised Law

23 Sec. 1115.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
24 Subject to the limitations prescribed by the board, the district  
25 administrator shall:

- 26 (1) supervise the work and activities of the district;
- 27 and
- 28 (2) direct the affairs of the district. (Acts 65th  
29 Leg., R.S., Ch. 511, Sec. 5 (part).)

30 Source Law

31 Sec. 5. . . . The administrator or manager  
32 shall supervise all the work and activities of the  
33 district and shall have general direction of the  
34 affairs of the district, subject to the limitations as  
35 may be prescribed by the board. . . .

36 Revised Law

37 Sec. 1115.061. ATTORNEY. (a) The board shall appoint a  
38 qualified person as the attorney for the district.

39 (b) The attorney serves at the will of the board and  
40 receives the compensation determined by the board. (Acts 65th  
41 Leg., R.S., Ch. 511, Sec. 5 (part).)

42 Source Law

43 Sec. 5. . . . The board of directors shall

1 appoint qualified persons . . . as attorney for the  
2 district and . . . the attorney . . . shall serve at  
3 the will of the board and shall receive such  
4 compensation as may be fixed by the board. . . .

5 Revised Law

6 Sec. 1115.062. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
7 board may appoint to the staff any doctors the board considers  
8 necessary for the efficient operation of the district and may make  
9 temporary appointments as warranted.

10 (b) The district may employ fiscal agents, accountants,  
11 architects, and additional attorneys as the board considers proper.

12 (c) The board may delegate to the district administrator the  
13 authority to employ technicians, nurses, and district employees.  
14 (Acts 65th Leg., R.S., Ch. 511, Secs. 5 (part), 16.)

15 Source Law

16 Sec. 5. . . . The board of directors shall have  
17 the authority to appoint to the staff such doctors as  
18 it may deem necessary for the efficient operation of  
19 the district and may provide for temporary  
20 appointments to the staff if warranted by  
21 circumstances. The board may delegate to the  
22 administrator or manager the authority to employ  
23 technicians, nurses, and employees of the district.  
24 . . .

25 Sec. 16. The district may employ fiscal agents,  
26 accountants, architects, and additional attorneys as  
27 the board may consider proper.

28 Revisor's Note  
29 (End of Subchapter)

30 Section 2, Chapter 18, Acts of the 67th  
31 Legislature, Regular Session, 1981, provides that a  
32 director election held before the effective date of  
33 that act is validated as of the date of the election.  
34 The revised law omits that provision as executed. The  
35 omitted law reads:

36 Sec. 2. An election held prior to the  
37 effective date of this Act to accomplish its  
38 purposes is validated as of the date of the  
39 election.

40 [Sections 1115.063-1115.100 reserved for expansion]

41 SUBCHAPTER C. POWERS AND DUTIES

42 Revised Law

43 Sec. 1115.101. DISTRICT RESPONSIBILITY. The district has

1 full responsibility for operating all hospital facilities for  
2 providing medical and hospital care for the district's needy  
3 inhabitants. (Acts 65th Leg., R.S., Ch. 511, Sec. 19 (part).)

4 Source Law

5 Sec. 19. . . . The hospital district shall  
6 assume full responsibility for the operation of all  
7 hospital facilities for the furnishing of medical and  
8 hospital care for its needy inhabitants. . . .

9 Revisor's Note

10 Section 19, Chapter 511, Acts of the 65th  
11 Legislature, Regular Session, 1977, provides that the  
12 district "shall assume" full responsibility for  
13 operating hospital facilities for providing medical  
14 and hospital care for the district's needy  
15 inhabitants. The revised law substitutes "has" for  
16 the quoted language because the duty to assume the  
17 responsibility is executed.

18 Revised Law

19 Sec. 1115.102. RESTRICTION ON POLITICAL SUBDIVISION  
20 TAXATION AND DEBT. A political subdivision located wholly or  
21 partly within the district may not impose a tax or issue bonds or  
22 other obligations for hospital purposes or to provide medical care  
23 for district residents. (Acts 65th Leg., R.S., Ch. 511, Sec. 19  
24 (part).)

25 Source Law

26 Sec. 19. After creation of the hospital  
27 district, no county, municipality, or political  
28 subdivision wholly or partly within the boundaries of  
29 the district shall have the power to levy taxes or  
30 issue bonds or other obligations for hospital purposes  
31 or for providing medical care for the residents of the  
32 district. . . .

33 Revisor's Note

34 (1) Section 19, Chapter 511, Acts of the 65th  
35 Legislature, Regular Session, 1977, provides that  
36 "[a]fter creation of the hospital district," certain  
37 political subdivisions may not levy certain taxes or  
38 issue certain bonds or other obligations. The revised  
39 law omits the quoted language as executed. In

1 addition, throughout this chapter, the revised law  
2 substitutes "impose" for "levy" because, in the  
3 context of taxation, the terms are synonymous and  
4 "impose" is more commonly used.

5 (2) Section 19, Chapter 511, Acts of the 65th  
6 Legislature, Regular Session, 1977, refers to a  
7 "county, municipality, or political subdivision." The  
8 revised law omits the references to "county" and  
9 "municipality" because "county" and "municipality"  
10 are included in the meaning of "political  
11 subdivision." Similar changes have been made  
12 throughout this chapter.

13 Revised Law

14 Sec. 1115.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
15 The board shall manage, control, and administer the hospital system  
16 and the district's money and resources. (Acts 65th Leg., R.S., Ch.  
17 511, Sec. 5 (part).)

18 Source Law

19 Sec. 5. The board of directors shall manage,  
20 control, and administer the hospital system and all  
21 funds and resources of the district, but . . . .

22 Revised Law

23 Sec. 1115.104. HOSPITAL SYSTEM. (a) The district shall  
24 provide for:

25 (1) the establishment of a hospital system by:

26 (A) purchasing, constructing, acquiring,  
27 repairing, and renovating buildings and equipment; and

28 (B) equipping the buildings; and

29 (2) the administration of the hospital system for  
30 hospital purposes.

31 (b) The hospital system may include any facilities the board  
32 considers necessary for hospital care. (Acts 65th Leg., R.S., Ch.  
33 511, Secs. 2 (part), 10(a) (part).)

34 Source Law

35 Sec. 2. The district . . . shall provide for the  
36 establishment of a hospital system by the purchase,

1 construction, acquisition, repair, and renovation of  
2 buildings and equipment, and equipping same, and the  
3 administration of the system for hospital purposes.  
4 . . .

5 Sec. 10. (a) . . . The hospital system may  
6 include facilities deemed necessary for hospital care  
7 by the directors. . . .

8 Revised Law

9 Sec. 1115.105. RULES. The board may adopt rules governing  
10 the operation of the hospital, the hospital system, and the  
11 district's staff and employees. (Acts 65th Leg., R.S., Ch. 511,  
12 Sec. 5 (part).)

13 Source Law

14 Sec. 5. . . . The district, through its board  
15 of directors, shall have the power and authority . . .  
16 to promulgate rules governing the operation of the  
17 hospital, hospital system, its staff, and its  
18 employees. . . .

19 Revisor's Note

20 Section 5, Chapter 511, Acts of the 65th  
21 Legislature, Regular Session, 1977, provides that the  
22 board may "promulgate rules." The revised law  
23 substitutes "adopt" for "promulgate" because the terms  
24 are synonymous and the former is more commonly used.

25 Revised Law

26 Sec. 1115.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
27 board may prescribe:

28 (1) the method and manner of making purchases and  
29 expenditures by and for the district; and

30 (2) all accounting and control procedures. (Acts 65th  
31 Leg., R.S., Ch. 511, Sec. 10(b) (part).)

32 Source Law

33 (b) The board of directors of the district shall  
34 have the power to prescribe the method and manner of  
35 making purchases and expenditures by and for the  
36 hospital district, and shall also be authorized to  
37 prescribe all accounting and control procedures. . . .

38 Revised Law

39 Sec. 1115.107. DISTRICT PROPERTY, FACILITIES, AND  
40 EQUIPMENT. (a) The board shall determine the type, number, and  
41 location of buildings required to maintain an adequate hospital

1 system.

2 (b) The board may lease all or part of the district's  
3 buildings and facilities on terms considered to be in the best  
4 interest of the district's inhabitants.

5 (c) The district may acquire equipment for use in the  
6 district's hospital system and mortgage or pledge the property as  
7 security for the payment of the purchase price.

8 (d) The district may sell or otherwise dispose of any  
9 property, including equipment, on terms the board finds are in the  
10 best interest of the district's inhabitants. (Acts 65th Leg.,  
11 R.S., Ch. 511, Secs. 10(a) (part), (b) (part).)

12 Source Law

13 Sec. 10. (a) The board of directors is given  
14 complete discretion as to the type of buildings, both  
15 as to number and location, required to establish and  
16 maintain an adequate hospital system. . . . The  
17 district, through its board of directors, . . . may  
18 lease all or part of its buildings and facilities on  
19 terms and conditions considered to be to the best  
20 interest of its inhabitants. The district shall be  
21 empowered to sell or otherwise dispose of any  
22 property, real or personal, or equipment of any nature  
23 on terms and conditions found by the board to be in the  
24 best interest of its inhabitants.

25 (b) . . . The district may acquire equipment  
26 for use in its hospital system and mortgage or pledge  
27 the property so acquired as security for the payment of  
28 the purchase price. . . .

29 Revisor's Note

30 (1) Section 10(a), Chapter 511, Acts of the 65th  
31 Legislature, Regular Session, 1977, requires the board  
32 to determine the buildings required to "establish and  
33 maintain" an adequate hospital system. The revised  
34 law omits the reference to establishing the hospital  
35 system as executed.

36 (2) Section 10(a), Chapter 511, Acts of the 65th  
37 Legislature, Regular Session, 1977, refers to "terms  
38 and conditions." The revised law omits "conditions"  
39 because "conditions" is included in the meaning of  
40 "terms."

41 (3) Section 10(a), Chapter 511, Acts of the 65th  
42 Legislature, Regular Session, 1977, refers to "real or

1 personal" property. The revised law omits the  
2 reference to "real or personal" because Section  
3 311.005(4), Government Code (Code Construction Act),  
4 applicable to the revised law, defines "property" to  
5 mean real and personal property.

#### 6 Revised Law

7 Sec. 1115.108. EMINENT DOMAIN. (a) The district may  
8 exercise the power of eminent domain to acquire a fee simple or  
9 other interest in any type of property located in district  
10 territory if the interest is necessary or convenient to a power,  
11 right, or privilege 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, except the  
14 district is not required to deposit in the trial court money or a  
15 bond 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 a bond or other security  
19 for costs in the trial court;

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

22 (3) provide a bond for costs or a supersedeas bond on  
23 an appeal or petition for review. (Acts 65th Leg., R.S., Ch. 511,  
24 Sec. 14.)

#### 25 Source Law

26 Sec. 14. The district shall have the right and  
27 power of eminent domain for the purpose of acquiring by  
28 condemnation any and all property of any kind and  
29 character in fee simple, or any lesser interest in  
30 property, within the boundaries of the district  
31 necessary or convenient to the powers, rights, and  
32 privileges conferred by this Act, in the manner  
33 provided by the general law with respect to  
34 condemnation by counties, provided that the district  
35 shall not be required to make deposits in the registry  
36 of the trial court of the sum required by Paragraph 2,  
37 Article 3268, Revised Civil Statutes of Texas, 1925,  
38 as amended, or to make bond as therein provided. In  
39 condemnation proceedings being prosecuted by the  
40 district, the district shall not be required to pay in  
41 advance or give bond or other security for costs in the  
42 trial court, nor to give any bond otherwise required  
43 for the issuance of a temporary restraining order or a

1 temporary injunction nor to give bond for costs or for  
2 supersedeas on any appeal or writ of error.

3 Revisor's Note

4 (1) Section 14, Chapter 511, Acts of the 65th  
5 Legislature, Regular Session, 1977, provides that the  
6 district has the "right and power of eminent domain for  
7 the purpose of acquiring [property] by condemnation."  
8 The revised law substitutes for the quoted language  
9 "may exercise the power of eminent domain to acquire  
10 [property]" because the phrases have the same meaning  
11 and the latter phrase is consistent with modern usage  
12 in laws relating to eminent domain.

13 (2) Section 14, Chapter 511, Acts of the 65th  
14 Legislature, Regular Session, 1977, provides that the  
15 district must exercise the power of eminent domain in  
16 the manner provided by "the general law with respect to  
17 condemnation by counties." The revised law  
18 substitutes for the quoted language a reference to  
19 Chapter 21, Property Code, because that is the general  
20 law governing eminent domain for governmental  
21 entities, including counties.

22 (3) Section 14, Chapter 511, Acts of the 65th  
23 Legislature, Regular Session, 1977, refers to  
24 "Paragraph 2, Article 3268, Revised Civil Statutes of  
25 Texas, 1925, as amended." That statute was codified in  
26 1983 as Section 21.021(a), Property Code, and the  
27 revised law is drafted accordingly. In addition,  
28 throughout this chapter, the revised law omits the  
29 references to "as amended" because under Section  
30 311.027, Government Code (Code Construction Act), a  
31 reference to a statute applies to all reenactments,  
32 revisions, or amendments of the statute unless  
33 expressly provided otherwise.

34 (4) Section 14, Chapter 511, Acts of the 65th  
35 Legislature, Regular Session, 1977, refers to a "writ

1 of error." The revised law substitutes "petition for  
2 review" for "writ of error" because, effective  
3 September 1, 1997, the Texas Supreme Court replaced  
4 the writ of error procedure with the petition for  
5 review procedure. See Rule 53.1, Texas Rules of  
6 Appellate Procedure.

7 Revised Law

8 Sec. 1115.109. GIFTS AND ENDOWMENTS. The board may accept  
9 for the district a gift or endowment to be held in trust and  
10 administered by the board for the purposes and under the  
11 directions, limitations, or other provisions prescribed in writing  
12 by the donor that are not inconsistent with the proper management  
13 and objectives of the district. (Acts 65th Leg., R.S., Ch. 511,  
14 Sec. 18.)

15 Source Law

16 Sec. 18. The board of directors of the hospital  
17 district is authorized on behalf of the district to  
18 accept donations, gifts, and endowments to be held in  
19 trust and administered by the board of directors for  
20 such purposes and under such directions, limitations,  
21 and provisions as may be prescribed in writing by the  
22 donor not inconsistent with proper management and  
23 object of the hospital district.

24 Revisor's Note

25 Section 18, Chapter 511, Acts of the 65th  
26 Legislature, Regular Session, 1977, refers to  
27 "donations" and "gifts." The revised law omits the  
28 reference to "donations" because "donations" is  
29 included in the meaning of "gifts."

30 Revised Law

31 Sec. 1115.110. CONSTRUCTION CONTRACTS. A construction  
32 contract that involves the expenditure of more than \$10,000 may be  
33 made only after advertising in the manner provided by Chapter 252  
34 and Subchapter C, Chapter 262, Local Government Code. (Acts 65th  
35 Leg., R.S., Ch. 511, Sec. 10(b) (part).)

36 Source Law

37 (b) . . . All contracts for construction  
38 involving the expenditure of more than \$10,000 may be  
39 made only after advertising in the manner provided by

1 Chapter 163, General Laws, Acts of the 42nd  
2 Legislature, Regular Session, 1931, as amended  
3 (Article 2368a, Vernon's Texas Civil Statutes). . . .

4 Revisor's Note

5 (1) Section 10(b), Chapter 511, Acts of the 65th  
6 Legislature, Regular Session, 1977, permits  
7 construction contracts involving more than \$10,000  
8 only after advertising in the manner provided by  
9 "Chapter 163, General Laws, Acts of the 42nd  
10 Legislature, Regular Session, 1931, as amended  
11 (Article 2368a, Vernon's Texas Civil Statutes)."  
12 Article 2368a was amended by Chapter 641, Acts of the  
13 69th Legislature, Regular Session, 1985, which  
14 transferred provisions relating to advertising for  
15 bids by counties to the County Purchasing Act  
16 (V.A.C.S. Article 2368a.5). The County Purchasing Act  
17 was codified in 1987 as Subchapter C, Chapter 262,  
18 Local Government Code. The provisions of Article  
19 2368a relating to advertising for bids by  
20 municipalities were codified in 1987 as Chapter 252,  
21 Local Government Code. The revised law is drafted  
22 accordingly.

23 (2) Section 10(b), Chapter 511, Acts of the 65th  
24 Legislature, Regular Session, 1977, provides that  
25 Article 5160, Revised Civil Statutes of Texas, 1925,  
26 applies to the district's construction contracts in  
27 relation to performance and payment bonds. The  
28 revised law omits that reference because Article 5160  
29 was codified in 1993 as Chapter 2253, Government Code,  
30 and that chapter applies to hospital districts on its  
31 own terms. The omitted law reads:

32 (b) . . . The provisions of Article  
33 5160, Revised Civil Statutes of Texas,  
34 1925, as amended, relating to performance  
35 and payment bonds shall apply to  
36 construction contracts let by the  
37 district. . . .

1 Revised Law

2 Sec. 1115.111. OPERATING AND MANAGEMENT CONTRACTS. The  
3 board may enter into an operating or management contract relating  
4 to a district facility. (Acts 65th Leg., R.S., Ch. 511, Sec. 10(a)  
5 (part).)

6 Source Law

7 (a) . . . [The district, through its board of  
8 directors,] is further authorized to enter into an  
9 operating or management contract with regard to its  
10 facilities or a part of its facilities or . . . .

11 Revised Law

12 Sec. 1115.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
13 CARE AND TREATMENT. The board may contract with:

14 (1) any county or municipality located outside the  
15 district for the care and treatment of a sick or injured person of  
16 that county or municipality; and

17 (2) this state or a federal agency for the treatment of  
18 a sick or injured person. (Acts 65th Leg., R.S., Ch. 511, Sec. 5  
19 (part).)

20 Source Law

21 Sec. 5. . . . The board . . . shall be  
22 authorized to contract with any county or incorporated  
23 municipality located outside its boundaries for the  
24 care and treatment of the sick, diseased, or injured  
25 persons of any such county or municipality and shall  
26 have the authority to contract with the State of Texas  
27 or agencies of the federal government for the  
28 treatment of sick, diseased, or injured persons.

29 Revisor's Note

30 (1) Section 5, Chapter 511, Acts of the 65th  
31 Legislature, Regular Session, 1977, refers to an  
32 "incorporated" municipality. The revised law omits  
33 "incorporated" because under the Local Government Code  
34 all municipalities must be incorporated.

35 (2) Section 5, Chapter 511, Acts of the 65th  
36 Legislature, Regular Session, 1977, refers to the  
37 treatment of "sick, diseased, or injured persons."  
38 The revised law omits "diseased" because "diseased" is  
39 included in the meaning of "sick."

1 Revised Law

2 Sec. 1115.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
3 INVESTIGATORY OR OTHER SERVICES. The board may contract with  
4 another political subdivision or a governmental agency for the  
5 district to provide investigatory or other services for the  
6 medical, hospital, or welfare needs of district inhabitants. (Acts  
7 65th Leg., R.S., Ch. 511, Sec. 5 (part).)

8 Source Law

9 Sec. 5. . . . The board shall be authorized to  
10 contract with any other political subdivision or  
11 governmental agency whereby the district will provide  
12 investigatory or other services as to the medical,  
13 hospital, or welfare needs of the inhabitants of the  
14 district and . . . .

15 Revised Law

16 Sec. 1115.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
17 When a patient who resides in the district is admitted to a district  
18 facility, the district administrator may have an inquiry made into  
19 the circumstances of:

20 (1) the patient; and

21 (2) the patient's relatives legally liable for the  
22 patient's support.

23 (b) If the district administrator determines that the  
24 patient or those relatives cannot pay for all or part of the  
25 patient's care and treatment in the hospital, the amount that  
26 cannot be paid becomes a charge against the district.

27 (c) If the district administrator determines that the  
28 patient or those relatives can pay for all or part of the costs of  
29 the patient's care and treatment, the patient or those relatives  
30 shall be ordered to pay the district a specified amount each week  
31 for the patient's care and support. The amount ordered must be  
32 proportionate to their financial ability.

33 (d) The district administrator may collect the amount from  
34 the patient's estate, or from those relatives legally liable for  
35 the patient's support, in the manner provided by law for the  
36 collection of expenses of the last illness of a deceased person.

37 (e) If there is a dispute as to the ability to pay, or doubt

1 in the mind of the district administrator, the board shall hold a  
2 hearing and, after calling witnesses, shall:

- 3 (1) resolve the dispute or doubt; and
- 4 (2) issue any appropriate orders.

5 (f) A final order of the board may be appealed to the  
6 district court. The substantial evidence rule applies to the  
7 appeal. (Acts 65th Leg., R.S., Ch. 511, Sec. 17.)

8 Source Law

9 Sec. 17. Whenever a patient residing within the  
10 district has been admitted to the facilities of the  
11 district, the administrator or manager may have an  
12 inquiry made as to his circumstances and those of the  
13 relatives of the patient legally liable for his  
14 support. If he finds that the patient or his relatives  
15 are able to pay for his care and treatment in whole or  
16 in part, an order shall be made directing the patient  
17 or his relatives to pay to the hospital district for  
18 the care and support of the patient a specified sum per  
19 week in proportion to their financial ability. The  
20 administrator or manager shall have the power and  
21 authority to collect these sums from the estate of the  
22 patient or his relatives legally liable for his  
23 support in the manner provided by law for collection of  
24 expenses in the last illness of a deceased person. If  
25 the administrator or manager finds that the patient or  
26 his relatives are not able to pay either in whole or in  
27 part for his care and treatment in the hospital, they  
28 shall become a charge on the hospital district as to  
29 the amount of the inability to pay. Should there be a  
30 dispute as to the ability to pay or doubt in the mind of  
31 the administrator or manager, the board of directors  
32 shall hear and resolve the dispute after calling  
33 witnesses and shall make order or orders as may be  
34 proper. Appeals from a final order of the board shall  
35 lie to the district court. The substantial evidence  
36 rule shall apply.

37 Revised Law

38 Sec. 1115.115. AUTHORITY TO SUE AND BE SUED. The district,  
39 through the board, may sue and be sued. (Acts 65th Leg., R.S., Ch.  
40 511, Sec. 5 (part).)

41 Source Law

42 Sec. 5. . . . The district, through its board  
43 of directors, shall have the power and authority to sue  
44 and be sued and . . . .

45 Revised Law

46 Sec. 1115.116. ELECTION DATE. Notwithstanding Section  
47 41.001(a), Election Code, the board may choose the date for an  
48 election held under this chapter other than a directors' election  
49 under Section 1115.051. (Acts 65th Leg., R.S., Ch. 511, Sec. 3(e).)



1 which the budget is being prepared;

2 (6) the estimated revenue and balances available to  
3 cover the budget; and

4 (7) the estimated tax rate required. (Acts 65th Leg.,  
5 R.S., Ch. 511, Sec. 6 (part).)

6 Source Law

7 Sec. 6. . . . The administrator or manager  
8 shall prepare an annual budget for approval by the  
9 board of directors. The budget shall also contain a  
10 complete financial statement of the district showing  
11 all outstanding obligations of the district, the cash  
12 on hand to the credit of each and every fund of the  
13 district, the funds received from all sources during  
14 the previous year, the funds available from all  
15 sources during the ensuing year, the balances expected  
16 at year-end of the year in which the budget is being  
17 prepared and estimated revenues and balances available  
18 to cover the proposed budget, and the estimated tax  
19 rate that will be required. . . .

20 Revised Law

21 Sec. 1115.152. PROPOSED BUDGET: NOTICE AND HEARING;  
22 APPROVAL OF BUDGET. (a) The board shall hold a public hearing on  
23 the proposed annual budget.

24 (b) At least 10 days before the date of the hearing, notice  
25 of the hearing must be published one time.

26 (c) Any district resident is entitled to be present and  
27 participate at the hearing.

28 (d) At the conclusion of the hearing, the board shall act on  
29 the budget as proposed by the district administrator. The board may  
30 make any changes in the proposed budget that the board judges the  
31 law warrants and the interests of the taxpayers demand. The budget  
32 must be approved by the board. (Acts 65th Leg., R.S., Ch. 511, Sec.  
33 6 (part).)

34 Source Law

35 Sec. 6. . . . A public hearing on the annual  
36 budget shall be held by the board of directors after  
37 notice of a hearing has been published one time at  
38 least 10 days before the date set for the hearing. Any  
39 person residing in the district shall have the right to  
40 be present and participate in the hearing. At the  
41 conclusion of the hearing, the budget, as proposed by  
42 the administrator, shall be acted on by the board of  
43 directors. The board of directors shall have authority  
44 to make changes in the budget which in their judgment  
45 the law warrants and the interest of the taxpayers  
46 demands. . . . the annual budget . . . shall be

1 approved by the board of directors. . . .

2 Revised Law

3 Sec. 1115.153. AMENDMENTS TO BUDGET. The annual budget may  
4 be amended as required by circumstances. The board must approve all  
5 amendments. (Acts 65th Leg., R.S., Ch. 511, Sec. 6 (part).)

6 Source Law

7 Sec. 6. . . . The annual budget may be amended  
8 from time to time as the circumstances may require, but  
9 [the annual budget] and all amendments to it shall be  
10 approved by the board of directors. . . .

11 Revisor's Note

12 Section 6, Chapter 511, Acts of the 65th  
13 Legislature, Regular Session, 1977, states that the  
14 budget may be amended "from time to time." The revised  
15 law omits the quoted language because the authority to  
16 take an action implies the authority to do so at any  
17 time.

18 Revised Law

19 Sec. 1115.154. RESTRICTION ON EXPENDITURES. Money may be  
20 spent only for an expense included in the budget or an amendment to  
21 the budget. (Acts 65th Leg., R.S., Ch. 511, Sec. 6 (part).)

22 Source Law

23 Sec. 6. . . . No expenditure may be made for  
24 any expense not included in the annual budget or an  
25 amendment to it. . . .

26 Revised Law

27 Sec. 1115.155. FISCAL YEAR. (a) The district operates  
28 according to a fiscal year established by the board.

29 (b) The fiscal year may not be changed:

30 (1) during a period that district revenue bonds are  
31 outstanding; or

32 (2) more than once in any 24-month period. (Acts 65th  
33 Leg., R.S., Ch. 511, Sec. 6 (part).)

34 Source Law

35 Sec. 6. The district shall be operated on the  
36 basis of a fiscal year as established by the board of  
37 directors, provided such fiscal year may not be  
38 changed during the time revenue bonds of the district  
39 are outstanding or more than once in any 24-month  
40 period. . . .

1 Revised Law

2 Sec. 1115.156. ANNUAL AUDIT. The board annually shall have  
3 an audit made of the district's financial condition. (Acts 65th  
4 Leg., R.S., Ch. 511, Sec. 6 (part).)

5 Source Law

6 Sec. 6. . . . The board shall have an annual  
7 audit made of the financial condition of the district,  
8 . . . .

9 Revised Law

10 Sec. 1115.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
11 RECORDS. The annual audit and other district records shall be open  
12 to inspection at the district's principal office. (Acts 65th Leg.,  
13 R.S., Ch. 511, Sec. 6 (part).)

14 Source Law

15 Sec. 6. . . . an annual audit . . . which  
16 together with other records of the district shall be  
17 open to inspection at the principal office of the  
18 district. . . .

19 Revised Law

20 Sec. 1115.158. FINANCIAL REPORT. As soon as practicable  
21 after the close of each fiscal year, the district administrator  
22 shall prepare for the board:

23 (1) a complete sworn statement of all district money;  
24 and

25 (2) a complete account of the disbursements of that  
26 money. (Acts 65th Leg., R.S., Ch. 511, Sec. 6 (part).)

27 Source Law

28 Sec. 6. . . . As soon as practicable after the  
29 close of each fiscal year, the administrator or  
30 manager shall prepare for the board a full sworn  
31 statement of all money belonging to the district and a  
32 full account of the disbursements of same.

33 Revised Law

34 Sec. 1115.159. DEPOSITORY. (a) The board shall select one  
35 or more banks inside or outside the district to serve as a  
36 depository for district money.

37 (b) All district money, other than money invested as  
38 provided by Section 1115.160(b) and money transmitted to a bank for  
39 payment of bonds or obligations issued or assumed by the district,

1 shall be deposited as received with the depository bank and shall  
2 remain on deposit.

3 (c) This chapter, including Subsection (b), does not limit  
4 the power of the board to:

5 (1) place a part of district money on time deposit; or

6 (2) purchase certificates of deposit. (Acts 65th  
7 Leg., R.S., Ch. 511, Sec. 11(a).)

8 Source Law

9 Sec. 11. (a) The board of directors of the  
10 district shall name one or more banks within or without  
11 its boundaries to serve as depository for the funds of  
12 the district. All funds of the district, except those  
13 invested as provided in Section 5 of this Act, and  
14 those transmitted to a bank or banks of payment for  
15 bonds or obligations issued or assumed by the district  
16 shall be deposited as received with the depository  
17 bank and shall remain on deposit, provided that  
18 nothing in this Act shall limit the power of the board  
19 to place a portion of the funds on time deposit or  
20 purchase certificates of deposit.

21 Revisor's Note

22 Section 11(b), Chapter 511, Acts of the 65th  
23 Legislature, Regular Session, 1977, requires a bank to  
24 provide a specified amount of collateral to ensure the  
25 security of district funds deposited at the bank. The  
26 revised law omits the provision as superseded by  
27 Subchapter B, Chapter 2257, Government Code (enacted  
28 in 1989 as Article 2529d, Vernon's Texas Civil  
29 Statutes), and specifically by Sections 2257.021 and  
30 2257.022 of that subchapter, which establish the  
31 amount of collateral required for a deposit of public  
32 funds. Subchapter B, Chapter 2257, Government Code,  
33 applies to the security for district funds under  
34 Sections 2257.002 and 2257.004, Government Code. The  
35 omitted law reads:

36 (b) Before the district deposits in  
37 any bank funds of the district in an amount  
38 that exceeds the maximum amount secured by  
39 the Federal Deposit Insurance Corporation,  
40 the bank shall be required to execute a bond  
41 or other security in an amount sufficient to  
42 secure from loss the district funds which  
43 exceed the amount secured by the Federal  
44 Deposit Insurance Corporation.

1 Revised Law

2 Sec. 1115.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
3 Except as provided by Section 1115.107(c) and by Subchapter E, the  
4 district may not incur an obligation payable from district revenue  
5 other than the revenue on hand or to be on hand in the current and  
6 following district fiscal years.

7 (b) The board may invest operating, depreciation, or  
8 building reserves only in funds or securities specified by Chapter  
9 2256, Government Code. (Acts 65th Leg., R.S., Ch. 511, Secs. 5  
10 (part), 10(b) (part).)

11 Source Law

12 Sec. 5. . . . in no event shall any operating,  
13 depreciation, or building reserves be invested in any  
14 funds or securities other than those specified in  
15 Article 836 or 837, Revised Civil Statutes of Texas,  
16 1925, as amended. . . .

17 [Sec. 10]

18 (b) . . . Except as permitted in the preceding  
19 sentence and Sections 7, 8, and 9 of this Act, the  
20 district may incur no obligation payable from any  
21 revenues of the district, tax or otherwise, except  
22 those on hand or to be on hand within the then current  
23 and following fiscal year of the district.

24 Revisor's Note

25 (1) Section 5, Chapter 511, Acts of the 65th  
26 Legislature, Regular Session, 1977, refers to "Article  
27 836 or 837, Revised Civil Statutes of Texas, 1925, as  
28 amended." Those articles were impliedly repealed by  
29 the enactment of the Public Funds Investment Act of  
30 1987 (Article 842a-2, Vernon's Texas Civil Statutes),  
31 which was revised in 1993 as Chapter 2256, Government  
32 Code. Chapter 2256 defines "local government" to  
33 include hospital districts and applies to the district  
34 by its own terms. The revised law therefore  
35 substitutes a reference to Chapter 2256, Government  
36 Code, for the references to Articles 836 and 837.

37 (2) Section 10(b), Chapter 511, Acts of the 65th  
38 Legislature, Regular Session, 1977, provides that,  
39 "[e]xcept as permitted in the preceding sentence and

1 Sections 7, 8, and 9," the district may not incur  
2 certain obligations. The "preceding sentence" in  
3 Section 10(b) is revised in Section 1115.107(c). As  
4 explained in the revisor's note at the end of  
5 Subchapter A, Section 8 is omitted from the revised law  
6 as executed. Sections 7 and 9 are revised in  
7 Subchapter E. The revised law is drafted accordingly.

8 [Sections 1115.161-1115.200 reserved for expansion]

9 SUBCHAPTER E. BONDS

10 Revised Law

11 Sec. 1115.201. GENERAL OBLIGATION BONDS. The board may  
12 issue and sell general obligation bonds in the name and on the faith  
13 and credit of the district for any purpose relating to:

14 (1) the purchase, construction, acquisition, repair,  
15 or renovation of buildings and improvements; and

16 (2) equipping buildings and improvements for hospital  
17 purposes. (Acts 65th Leg., R.S., Ch. 511, Sec. 7(a) (part).)

18 Source Law

19 Sec. 7. (a) The board of directors shall have  
20 the power and authority to issue and sell its bonds in  
21 the name and on the faith and credit of the hospital  
22 district for any purpose related to the purchase,  
23 construction, acquisition, repair, and renovation of  
24 buildings and improvements, and equipping the same for  
25 hospital purposes. . . .

26 Revisor's Note

27 Section 7(a), Chapter 511, Acts of the 65th  
28 Legislature, Regular Session, 1977, provides that the  
29 board may issue and sell bonds in the name and on the  
30 faith and credit of the district. Because the type of  
31 bonds described by Section 7(a) are known as "general  
32 obligation bonds," the revised law is drafted  
33 accordingly throughout this chapter.

34 Revised Law

35 Sec. 1115.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
36 the time general obligation bonds are issued by the district, the  
37 board shall impose an ad valorem tax at a rate sufficient to create

1 an interest and sinking fund to pay the principal of and interest on  
2 the bonds as the bonds mature.

3 (b) The tax required by this section together with any other  
4 ad valorem tax the district imposes may not in any year exceed 75  
5 cents on each \$100 valuation of all taxable property in the district  
6 subject to hospital district taxation. (Acts 65th Leg., R.S., Ch.  
7 511, Sec. 7(a) (part).)

8 Source Law

9 (a) . . . At the time of the issuance of any  
10 bonds by the district a tax shall be levied by the  
11 board sufficient to create an interest and sinking  
12 fund to pay the interest on and principal of the bonds  
13 as they mature, providing the tax together with any  
14 other taxes levied for the district shall not exceed 75  
15 cents on each \$100 valuation of all taxable property  
16 located in the district subject to hospital district  
17 taxation in any one year. . . .

18 Revisor's Note

19 Section 7(a), Chapter 511, Acts of the 65th  
20 Legislature, Regular Session, 1977, requires the  
21 district to levy a tax to pay the principal of and  
22 interest on bonds. The revised law specifies that the  
23 tax is an "ad valorem" tax because it is clear from the  
24 source law that the tax is a property tax. Section  
25 1(b), Article VIII, Texas Constitution, requires all  
26 property that is taxed to be taxed in proportion to its  
27 value, and accordingly "ad valorem" is the term most  
28 commonly used in Texas law to refer to a tax on  
29 property.

30 Revised Law

31 Sec. 1115.203. 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 district voters.

34 (b) The order calling the bond election must provide for  
35 clerks as in county elections and must specify:

- 36 (1) the date of the election;
- 37 (2) the location of the polling places;
- 38 (3) the presiding and alternate election judges for

1 each polling place;

2 (4) the amount of the bonds to be authorized; and

3 (5) the maximum maturity of the bonds.

4 (c) Notice of a bond election shall be given as provided by  
5 Section 1251.003, Government Code. (Acts 65th Leg., R.S., Ch. 511,  
6 Sec. 7(a) (part).)

7 Source Law

8 (a) . . . No bonds shall be issued by the  
9 hospital district . . . until authorized by a majority  
10 of the electors of the district. The order for bond  
11 election shall specify the date of the election, the  
12 amount of bonds to be authorized, the maximum maturity  
13 of the bonds, the place or places where the election  
14 shall be held, and the presiding judge and alternate  
15 judge for each voting place, and shall provide for  
16 clerks as in county elections. Notice of any bond  
17 election . . . shall be given as provided in Article  
18 704, Revised Civil Statutes of Texas, 1925, as  
19 amended, and shall be conducted in accordance with the  
20 Texas Election Code, as amended, except as modified by  
21 the provisions of this Act.

22 Revisor's Note

23 (1) Section 7(a), Chapter 511, Acts of the 65th  
24 Legislature, Regular Session, 1977, provides an  
25 exception for notice of a bond election under Section  
26 8. As explained in the revisor's note at the end of  
27 Subchapter A, Section 8 is executed. The revised law  
28 therefore omits the provision. The omitted law reads:

29 (a) . . . [Notice of any bond  
30 election] except one held under the  
31 provisions of Section 8 of this Act . . . .

32 (2) Section 7(a), Chapter 511, Acts of the 65th  
33 Legislature, Regular Session, 1977, refers to Article  
34 704, Revised Statutes, which specifies certain notice  
35 requirements for a bond election. That provision was  
36 codified in 1999 as Section 1251.003, Government Code.  
37 The revised law is drafted accordingly.

38 (3) Section 7(a), Chapter 511, Acts of the 65th  
39 Legislature, Regular Session, 1977, provides that an  
40 election under that section "shall be conducted in  
41 accordance with the Texas Election Code, as amended,  
42 except as modified by provisions of this Act." The

1 revised law omits the quoted language because Section  
2 1.002, Election Code, provides that the Election Code  
3 applies to all elections held in this state. An  
4 exception to the application of the Election Code  
5 would apply by its own terms.

6 Revised Law

7 Sec. 1115.204. MATURITY OF GENERAL OBLIGATION BONDS.  
8 District general obligation bonds must mature not later than 40  
9 years after their date of issuance. (Acts 65th Leg., R.S., Ch. 511,  
10 Sec. 7(c) (part).)

11 Source Law

12 (c) Bonds of the district shall mature within 40  
13 years of their date, . . . .

14 Revised Law

15 Sec. 1115.205. EXECUTION OF GENERAL OBLIGATION BONDS. The  
16 board president shall execute the general obligation bonds in the  
17 district's name and the board secretary shall countersign the bonds  
18 in the manner provided by Chapter 618, Government Code. (Acts 65th  
19 Leg., R.S., Ch. 511, Sec. 7(c) (part).)

20 Source Law

21 (c) [Bonds of the district] . . . shall be  
22 executed in the name of the hospital district and in  
23 its behalf by the president of the board, shall be  
24 countersigned by the secretary in the manner provided  
25 by Chapter 204, Acts of the 57th Legislature, Regular  
26 Session, 1961, as amended (Article 717j-1, Vernon's  
27 Texas Civil Statutes), . . . .

28 Revisor's Note

29 (1) Section 7(c), Chapter 511, Acts of the 65th  
30 Legislature, Regular Session, 1977, refers to "Chapter  
31 204, Acts of the 57th Legislature, Regular Session,  
32 1961, as amended (Article 717j-1, Vernon's Texas Civil  
33 Statutes)." That statute was codified in 1999 as  
34 Chapter 618, Government Code, and the revised law is  
35 drafted accordingly.

36 (2) Section 7(c), Chapter 511, Acts of the 65th  
37 Legislature, Regular Session, 1977, provides that  
38 district bonds issued must bear interest at a rate that

1 does not exceed the rate provided by Chapter 3, Acts of  
2 the 61st Legislature, Regular Session, 1969, as  
3 amended (Article 717k-2, Vernon's Texas Civil  
4 Statutes). The revised law omits the reference  
5 because the maximum interest rate noted in Article  
6 717k-2 was codified in 1999 as Section 1204.006,  
7 Government Code, and applies to the district under  
8 Section 1204.001, Government Code. The omitted law  
9 reads:

10 (c) [Bonds of the district] . . .  
11 shall bear interest at a rate not to exceed  
12 that prescribed by Chapter 3, Acts of the  
13 61st Legislature, Regular Session, 1969, as  
14 amended (Article 717k-2, Vernon's Texas  
15 Civil Statutes), and . . . .

16 (3) Section 7(c), Chapter 511, Acts of the 65th  
17 Legislature, Regular Session, 1977, provides that  
18 district bonds are subject to the law governing  
19 counties that relates to bond approval by the attorney  
20 general and registration of the bonds by the  
21 comptroller. Section 7(c) also provides that after  
22 approval and registration the bonds are "incontestable  
23 for any cause." The revised law omits those provisions  
24 as superseded by Chapter 1202, Government Code  
25 (enacted as Article 3, Chapter 53, Acts of the 70th  
26 Legislature, 2nd Called Session, 1987). Section  
27 1202.003(a), Government Code, requires bonds to be  
28 submitted to the attorney general. Section  
29 1202.003(b), Government Code, provides for approval of  
30 the bonds by the attorney general and requires the  
31 attorney general to submit the approved bonds to the  
32 comptroller for registration. Section 1202.005,  
33 Government Code, requires registration of the bonds by  
34 the comptroller. Section 1202.006, Government Code,  
35 provides that after approval and registration the  
36 bonds are incontestable and binding obligations.  
37 Chapter 1202, Government Code, applies to bonds issued

1 under this chapter by application of Section 1202.001,  
2 Government Code. The omitted law reads:

3 (c) [Bonds of the district] . . .  
4 shall be subject to the same requirements in  
5 the manner of approval by the Attorney  
6 General of Texas and registration by the  
7 Comptroller of Public Accounts of the State  
8 of Texas as are by law provided for approval  
9 and registration of bonds issued by  
10 counties. On the approval of the bonds by  
11 the attorney general and registration by  
12 the comptroller, the bonds shall be  
13 incontestable for any cause.

14 Revised Law

15 Sec. 1115.206. REVENUE BONDS. (a) The board may issue  
16 revenue bonds to:

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

19 (2) acquire sites to be used for hospital purposes.

20 (b) The bonds must be payable from and secured by a pledge of  
21 all or part of district revenue derived from the operation of the  
22 district's hospitals.

23 (c) The bonds may be additionally secured by a mortgage or  
24 deed of trust lien on all or part of district property.

25 (d) The bonds must be issued in the manner and in accordance  
26 with the procedures and requirements prescribed by Sections  
27 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
28 and Safety Code, for issuance of revenue bonds by a county hospital  
29 authority. (Acts 65th Leg., R.S., Ch. 511, Sec. 9 (part).)

30 Source Law

31 Sec. 9. In addition to the power to issue bonds  
32 payable from taxes levied by the district as  
33 contemplated by Section 7 of this Act, the board of  
34 directors is further authorized to issue and . . .  
35 revenue bonds for purchasing, constructing,  
36 acquiring, repairing, equipping, or renovating  
37 buildings and improvements for hospital purposes, and  
38 for acquiring sites for hospital purposes, the bonds  
39 to be payable from and secured by a pledge of all or any  
40 part of the revenues of the district to be derived from  
41 the operation of its hospital or hospitals, and the  
42 bonds may be additionally secured by a mortgage or deed  
43 of trust lien on any part or all of its properties. The  
44 bonds shall be issued in the manner and in accordance  
45 with the procedures and requirements specified for the  
46 issuance of revenue bonds by county hospital  
47 authorities in Sections 8 and 10 through 13 of Chapter  
48 122, Acts of the 58th Legislature, 1963 (Article

1 4494r, Vernon's Texas Civil Statutes).

2 Revisor's Note

3 Section 9, Chapter 511, Acts of the 65th  
4 Legislature, Regular Session, 1977, refers to Sections  
5 8 and 10 through 13 of Chapter 122, Acts of the 58th  
6 Legislature, Regular Session, 1963 (Article 4494r,  
7 Vernon's Texas Civil Statutes). Those provisions were  
8 codified in 1989 as Sections 264.042, 264.043,  
9 264.046, 264.047, 264.048, and 264.049, Health and  
10 Safety Code. The revised law is drafted accordingly.

11 Revised Law

12 Sec. 1115.207. REFUNDING BONDS. (a) The board may, without  
13 an election, issue refunding bonds to refund outstanding  
14 indebtedness issued or assumed by the district.

15 (b) A refunding bond may be:

16 (1) sold, with the proceeds of the refunding bond  
17 applied to the payment of the outstanding indebtedness; or

18 (2) exchanged wholly or partly for not less than a  
19 similar principal amount of outstanding indebtedness. (Acts 65th  
20 Leg., R.S., Ch. 511, Secs. 7(a) (part), (b) (part), 9 (part).)

21 Source Law

22 Sec. 7. (a) . . . [No bonds shall be issued by  
23 the hospital district] except refunding bonds [until  
24 authorized by a majority of the electors of the  
25 district.] . . .

26 (b) Refunding bonds of the district may be  
27 issued for the purpose of refunding and paying off any  
28 outstanding indebtedness it has issued or assumed. The  
29 refunding bonds may be sold and the proceeds applied to  
30 the payment of outstanding indebtedness or may be  
31 exchanged in whole or in part for not less than a like  
32 principal amount of outstanding indebtedness. . . .

33 Sec. 9. . . . [the board of directors is further  
34 authorized to issue and] to refund any previously  
35 issued [revenue bonds] . . . .

36 Revisor's Note

37 Section 7(b), Chapter 511, Acts of the 65th  
38 Legislature, Regular Session, 1977, requires the  
39 district to issue refunding bonds in the manner  
40 specified by Chapter 503, Acts of the 54th  
41 Legislature, Regular Session, 1955, as amended

1 (Article 717k, Vernon's Texas Civil Statutes), and in  
2 conformity with Chapter 784, Acts of the 61st  
3 Legislature, Regular Session, 1969 (Article 717k-3,  
4 Vernon's Texas Civil Statutes). Articles 717k and  
5 717k-3 were codified in 1999 as Chapter 1207,  
6 Government Code. The revised law omits the provisions  
7 because Chapter 1207, Government Code, applies to the  
8 district by its own terms under Section 1207.001,  
9 Government Code. The omitted law reads:

10 (b) . . . If the refunding bonds are  
11 to be sold and the proceeds applied to the  
12 payment of any outstanding indebtedness,  
13 the refunding bonds shall be issued and  
14 payments made in the manner specified by  
15 Chapter 503, Acts of the 54th Legislature,  
16 1955, as amended (Article 717k, Vernon's  
17 Texas Civil Statutes). Refunding bonds  
18 shall be issued in conformity with Chapter  
19 784, Acts of the 61st Legislature, Regular  
20 Session, 1969 (Article 717k-3, Vernon's  
21 Texas Civil Statutes).

22 Revised Law

23 Sec. 1115.208. BONDS EXEMPT FROM TAXATION. The following  
24 are exempt from taxation by this state or a political subdivision of  
25 this state:

- 26 (1) any bonds issued by the district;  
27 (2) the transfer and issuance of the bonds; and  
28 (3) any profits made in the sale of the bonds. (Acts  
29 65th Leg., R.S., Ch. 511, Sec. 21 (part).)

30 Source Law

31 Sec. 21. . . . any bonds issued by it and their  
32 transfer and the issuance by the district, including  
33 any profits made in the sale of the bonds, shall at all  
34 times be free from taxation by the state or any  
35 municipality or political subdivision of the state.

36 Revisor's Note  
37 (End of Subchapter)

38 (1) Section 13, Chapter 511, Acts of the 65th  
39 Legislature, Regular Session, 1977, provides that  
40 district bonds are legal and authorized investments  
41 for certain entities. The revised law omits the  
42 provision as unnecessary. As to several of the

1 entities listed, Section 13 has been superseded and  
2 impliedly repealed. Investments in securities by  
3 banks are regulated by Section 34.101, Finance Code  
4 (enacted in 1995 as Section 5.101, Texas Banking Act  
5 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
6 Investments in securities by savings banks are  
7 regulated by Section 93.001(c)(10), Finance Code  
8 (enacted in 1993 as Section 7.15(10), Texas Savings  
9 Bank Act (Article 489e, Vernon's Texas Civil  
10 Statutes)). Investments in securities by trust  
11 companies are regulated by Section 184.101, Finance  
12 Code (enacted in 1997 as Section 5.101, Texas Trust  
13 Company Act (Article 342a-5.101, Vernon's Texas Civil  
14 Statutes)). Investments in securities by savings and  
15 loan associations are regulated by Sections 63.002 and  
16 64.001, Finance Code. As to the remaining entities  
17 listed, Section 13 is superseded by Section 1201.041,  
18 Government Code, enacted as Section 9, Bond Procedures  
19 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
20 Statutes). Section 1201.041, Government Code, applies  
21 to district bonds by application of Section 1201.002,  
22 Government Code. The revised law omits the reference  
23 to public funds of this state because it has been  
24 superseded by Section 404.024, Government Code  
25 (enacted in 1985 as Section 2.014, Treasury Act  
26 (Article 4393-1, Vernon's Texas Civil Statutes)),  
27 which governs the investment of state funds. Section  
28 404.024(b)(10), Government Code, authorizes the  
29 investment of state funds in obligations of political  
30 subdivisions, including hospital districts. The  
31 revised law omits the reference to public funds of  
32 political subdivisions or corporations of the state  
33 because it has been superseded by Chapter 2256,  
34 Government Code (enacted in 1987 as the Public Funds

1 Investment Act of 1987 (Article 842a-2, Vernon's Texas  
2 Civil Statutes)), which governs the investment of  
3 local funds. The omitted law reads:

4           Sec. 13. All bonds issued and  
5           indebtedness assumed by the district shall  
6           be and are hereby declared to be legal and  
7           authorized investments of banks, savings  
8           banks, trust companies, building and loan  
9           associations, savings and loan  
10          associations, insurance companies,  
11          trustees, and sinking funds of cities,  
12          towns, villages, counties, school  
13          districts, or other political subdivisions  
14          or corporations of the State of Texas, and  
15          public funds of the State of Texas, or  
16          cities, towns, villages, counties, school  
17          districts, or other political subdivisions  
18          or corporations of the State of Texas, and  
19          . . . .

20           (2) Section 13, Chapter 511, Acts of the 65th  
21          Legislature, Regular Session, 1977, effectively  
22          provides that district bonds may secure certain  
23          deposits. Although Section 13 does not specifically  
24          mention the deposits the bonds are eligible to secure,  
25          the only deposits the bonds could secure are deposits  
26          of public funds of this state or political  
27          subdivisions of this state. Therefore, the revised law  
28          omits the provision as impliedly repealed by Section  
29          404.0221, Government Code (enacted in 1995), which  
30          lists eligible collateral for deposits of state funds  
31          by the comptroller, and by Chapter 2257, Government  
32          Code (enacted in 1989 as Article 2529d, Vernon's Texas  
33          Civil Statutes), which governs eligible collateral for  
34          deposits of funds of other public agencies, including  
35          political subdivisions. The omitted law reads:

36           Sec. 13. [All bonds] . . . shall be  
37           lawful and sufficient security for those  
38           deposits to the extent of their value when  
39           accompanied by all unmatured coupons  
40           appurtenant thereto.

41           [Sections 1115.209-1115.250 reserved for expansion]

42                           SUBCHAPTER F. TAXES

43                                   Revised Law

44           Sec. 1115.251. IMPOSITION OF AD VALOREM TAX. (a) The board

1 shall impose a tax on all property in the district subject to  
2 district taxation.

3 (b) The board shall impose the tax to pay:

4 (1) indebtedness assumed or issued by the district;  
5 and

6 (2) district maintenance and operating expenses.

7 (c) The board may not impose a tax to pay the principal of or  
8 interest on revenue bonds issued under Section 1115.206. (Acts  
9 65th Leg., R.S., Ch. 511, Secs. 12(a) (part), 15(a) (part).)

10 Source Law

11 Sec. 12. (a) The board of director shall  
12 annually levy a tax . . . for the purpose of paying:

13 (1) the indebtedness assumed or issued by  
14 the district, but no tax shall be levied to pay  
15 principal of or interest on revenue bonds issued under  
16 the provisions of Section 9 of this Act; and

17 (2) the maintenance and operating expenses  
18 of the district.

19 Sec. 15. (a) . . . Hospital tax shall be levied  
20 on all taxable property within the district subject to  
21 hospital district taxation.

22 Revised Law

23 Sec. 1115.252. TAX RATE. (a) The board may impose the tax  
24 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
25 property in the district subject to district taxation.

26 (b) In setting the tax rate, the board shall consider the  
27 income of the district from sources other than taxation. (Acts 65th  
28 Leg., R.S., Ch. 511, Secs. 3(b) (part), 12(a) (part), (b) (part).)

29 Source Law

30 [Sec. 3]

31 (b) . . . [the hospital district shall be  
32 created with authority to levy annual taxes] at a rate  
33 not to exceed 75 cents on each \$100 of valuation on all  
34 taxable property located within the hospital district,  
35 subject to hospital district taxation, . . . .

36 Sec. 12. (a) [The board of director shall  
37 annually levy a tax] not to exceed the amount permitted  
38 by this Act . . . .

39 (b) In setting the tax rate the board shall take  
40 into consideration the income of the district from  
41 sources other than taxation. . . .

42 Revisor's Note

43 Section 12(b), Chapter 511, Acts of the 65th  
44 Legislature, Regular Session, 1977, requires the board

1 to levy the tax and to certify the tax rate to the tax  
2 assessor-collector. The revised law omits that  
3 provision because Section 26.05(a), Tax Code, requires  
4 the governing body of a taxing unit to adopt a tax rate  
5 for the current tax year and to notify the tax assessor  
6 for the taxing unit of that rate. The omitted law  
7 reads:

8 (b) . . . On determination of the  
9 amount of tax required to be levied, the  
10 board shall make the levy and certify it to  
11 the tax assessor-collector.

12 Revised Law

13 Sec. 1115.253. ASSESSMENT AND COLLECTION BY COUNTY TAX  
14 ASSESSOR-COLLECTOR. Unless the board elects to have taxes assessed  
15 and collected by its own tax assessor-collector under Section  
16 1115.254, the tax assessor-collector of Wilson County shall assess  
17 and collect taxes imposed by and for the district. (Acts 65th Leg.,  
18 R.S., Ch. 511, Secs. 15(a) (part), (b) (part).)

19 Source Law

20 (a) . . . unless the directors, [by majority  
21 vote,] elect to have taxes assessed and collected by  
22 its own tax assessor-collector under Subsection (c) of  
23 this section. . . .

24 (b) Under this subsection, . . . . The tax  
25 assessor-collector of the county in which the district  
26 is located shall be charged and required to accomplish  
27 the assessment and collection of all taxes levied by  
28 and on behalf of the district. . . .

29 Revisor's Note

30 (1) Section 15(b), Chapter 511, Acts of the 65th  
31 Legislature, Regular Session, 1977, refers to the tax  
32 assessor-collector of "the county." The revised law  
33 substitutes "Wilson County" for the quoted language  
34 because Wilson County is the county in which the  
35 district is located.

36 (2) Sections 15(a) and (b), Chapter 511, Acts of  
37 the 65th Legislature, Regular Session, 1977, refer to  
38 the assessment and collection of district taxes on  
39 county tax values. The revised law omits the  
40 provisions because they were repealed by Section 6(b),

1 Chapter 841, Acts of the 66th Legislature, Regular  
2 Session, 1979, which repealed all "general, local, and  
3 special laws" that conflicted with that act. The 1979  
4 act enacted the Property Tax Code (Title 1, Tax Code),  
5 a comprehensive, substantive codification of property  
6 tax law. Title 1, Tax Code, provides the exclusive  
7 procedures for the appraisal of property for taxation  
8 by a taxing unit, including a hospital district. The  
9 omitted law reads:

10 (a) . . . All taxes of the district  
11 shall be assessed and collected on county  
12 tax values as provided in Subsection (b) of  
13 this section . . . .

14 (b) . . . district taxes shall be  
15 assessed and collected on county tax values  
16 in the same manner as provided by law with  
17 relation to county taxes. . . .

18 (3) Section 15(b), Chapter 511, Acts of the 65th  
19 Legislature, Regular Session, 1977, provides that the  
20 tax assessor-collector shall charge a fee for the  
21 assessment and collection of district taxes. The  
22 revised law omits that provision because it was  
23 repealed by Section 6(b), Chapter 841, Acts of the 66th  
24 Legislature, Regular Session, 1979. See Revisor's  
25 Note (2). Section 6.27(b), Tax Code, provides for the  
26 compensation of a county tax assessor-collector  
27 assessing and collecting taxes for another taxing  
28 unit. The omitted law reads:

29 (b) . . . The assessor-collector of  
30 taxes shall charge and deduct from payments  
31 to the hospital district an amount as fees  
32 for assessing and collecting the taxes at a  
33 rate of one percent of the taxes assessed  
34 and one percent of the taxes collected, but  
35 in no event shall the amount paid exceed  
36 \$5,000 in any one calendar year. These fees  
37 shall be deposited in the officers salary  
38 fund of the county and reported as fees of  
39 the office of the county tax  
40 assessor-collector. . . .

41 (4) Section 15(b), Chapter 511, Acts of the 65th  
42 Legislature, Regular Session, 1977, provides that  
43 interest and penalties on district taxes and discounts

1 are the same as for county taxes. The revised law  
2 omits that provision because it was repealed by  
3 Section 6(b), Chapter 841, Acts of the 66th  
4 Legislature, Regular Session, 1979. See Revisor's  
5 Note (2). Chapter 33, Tax Code, provides for penalties  
6 and interest on delinquent taxes, and Section 31.05,  
7 Tax Code, provides for discounts on the early payment  
8 of taxes. The omitted law reads:

9 (b) . . . Interest and penalties on  
10 taxes paid to the hospital district shall be  
11 the same as in the case of county taxes.  
12 Discounts shall be the same as allowed by  
13 the county. . . .

14 (5) Section 15(b), Chapter 511, Acts of the 65th  
15 Legislature, Regular Session, 1977, provides that tax  
16 revenue shall be deposited in the district's  
17 depository. The revised law omits the provision  
18 because Section 31.10, Tax Code, requires the tax  
19 collector for a taxing unit to deposit taxes collected  
20 in the unit's depository. The omitted law reads:

21 (b) . . . The residue of tax  
22 collections after deductions of discounts  
23 and fees for assessing and collecting shall  
24 be deposited in the district's depository.  
25 . . .

26 (6) Section 15(b), Chapter 511, Acts of the 65th  
27 Legislature, Regular Session, 1977, provides that the  
28 bond of the county tax assessor-collector is security  
29 for the performance of district duties unless the  
30 board determines that an additional bond is necessary.  
31 The revised law omits that provision because it  
32 duplicates Section 6.29(b), Tax Code, which authorizes  
33 a taxing unit for which the county tax  
34 assessor-collector collects a tax to require that  
35 collector to post an additional bond. The omitted law  
36 reads:

37 (b) . . . The bond of the county tax  
38 assessor-collector shall stand as security  
39 for the proper performance of his duties as  
40 assessor-collector of the district; or, if

1 in the judgment of the district board of  
2 directors it is necessary, additional bond  
3 payable to the district may be required.  
4 . . .

5 (7) Section 15(b), Chapter 511, Acts of the 65th  
6 Legislature, Regular Session, 1977, states that the  
7 tax assessor-collector may act in accordance with  
8 state law relating to the assessment, collection, and  
9 enforcement of state and county taxes. The revised law  
10 omits that provision as unnecessary. The state law  
11 relating to the assessment, collection, and  
12 enforcement of all ad valorem taxes is Title 1, Tax  
13 Code. Section 1.02, Tax Code, requires all taxing  
14 units of government to administer the assessment,  
15 collection, and enforcement of taxes in conformity  
16 with that title. The omitted law reads:

17 (b) . . . In all matters pertaining  
18 to the assessment, collection, and  
19 enforcement of taxes for the district, the  
20 county tax assessor-collector shall be  
21 authorized to act in all respects according  
22 to the laws of the State of Texas relating  
23 to state and county taxes.

24 Revised Law

25 Sec. 1115.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
26 ASSESSOR-COLLECTOR. (a) The board by majority vote may elect to  
27 have district taxes assessed and collected by a tax  
28 assessor-collector appointed by the board. An election under this  
29 subsection must be made before December 1 and governs the manner in  
30 which taxes are assessed and collected, until changed by a similar  
31 resolution.

32 (b) The district tax assessor-collector must reside in the  
33 district.

34 (c) The board shall set the term of employment and  
35 compensation for the district tax assessor-collector. (Acts 65th  
36 Leg., R.S., Ch. 511, Secs. 15(a) (part), (c) (part).)

37 Source Law

38 (a) . . . [unless the directors,] by majority  
39 vote, [elect to have taxes assessed and collected by  
40 its own tax assessor-collector under Subsection (c) of  
41 this section.] An election may be held before December

1 1 annually and shall govern the manner in which taxes  
2 are subsequently assessed and collected until changed  
3 by a similar resolution. . . .

4 (c) Under this subsection, taxes shall be  
5 assessed and collected by a tax assessor-collector  
6 appointed by the directors, who shall also fix the term  
7 of his employment, compensation, and . . . the tax  
8 assessor and collector shall be residents of the  
9 district, and . . . .

10 Revisor's Note

11 (1) Section 15(c), Chapter 511, Acts of the 65th  
12 Legislature, Regular Session, 1977, requires the board  
13 to set a bond amount of not less than \$5,000 as  
14 security for the district tax assessor-collector. The  
15 revised law omits the provision because it was  
16 repealed by Section 6(b), Chapter 841, Acts of the 66th  
17 Legislature, Regular Session, 1979. See Revisor's  
18 Note (2) to Section 1115.253. Section 6.29(a), Tax  
19 Code, authorizes the governing body of a taxing unit,  
20 including a hospital district, to require the unit's  
21 tax assessor-collector to post bond without limiting  
22 the amount. The omitted law reads:

23 (c) . . . [the directors, who shall  
24 also fix the] . . . requirement for bond to  
25 assure the faithful performance of his  
26 duties, but in no event shall the bond be  
27 for less than \$5,000. . . .

28 (2) Section 15(c), Chapter 511, Acts of the 65th  
29 Legislature, Regular Session, 1977, states that the  
30 board shall appoint a board of equalization and  
31 establishes the duties of that board and the tax  
32 assessor-collector. The revised law omits the  
33 reference to a board of equalization because boards of  
34 equalization were abolished and their functions and  
35 duties transferred to appraisal review boards by the  
36 1979 enactment of the Property Tax Code, Title 1, Tax  
37 Code (Section 1, Chapter 841, Acts of the 66th  
38 Legislature, Regular Session, 1979). The provisions  
39 relating to the duties of the tax assessor-collector  
40 are omitted because the Tax Code specifies the duties

1 of a tax assessor-collector for a taxing unit. The  
2 omitted law reads:

3 (c) . . . The directors shall  
4 annually appoint five persons to serve as a  
5 board of equalization and shall fix their  
6 compensation. Each member of the board and  
7 . . . [shall be residents of the district,  
8 and] each shall have the same duties,  
9 including the obligation to execute the  
10 oath of office, as required of county  
11 officials exercising those powers and  
12 duties. . . .

13 (3) Section 15(c), Chapter 511, Acts of the 65th  
14 Legislature, Regular Session, 1977, refers to the  
15 applicability of Title 122 of the Revised Statutes  
16 (Taxation). Before its repeal and recodification,  
17 Title 122 was composed of V.A.C.S. Articles  
18 7041-7359a. The relevant parts of those provisions  
19 were revised in 1979 as the Property Tax Code, Title 1,  
20 Tax Code (Section 1, Chapter 841, Acts of the 66th  
21 Legislature, Regular Session, 1979). The revised law  
22 omits the provision because Title 1 applies to the  
23 district on its own terms. The omitted law reads:

24 (c) . . . Except as in this law  
25 provided to the contrary, all the  
26 provisions of Title 122, Revised Civil  
27 Statutes of Texas, 1925, as amended, shall  
28 apply to the district.

29 Revisor's Note  
30 (End of Subchapter)

31 Section 15(a), Chapter 511, Acts of the 65th  
32 Legislature, Regular Session, 1977, provides that the  
33 board may impose taxes for the entire year in which the  
34 district is established. The revised law omits that  
35 provision as executed. The omitted law reads:

36 Sec. 15. (a) The directors shall  
37 have the authority to levy taxes for the  
38 entire year in which the district is  
39 established as a result of the election  
40 provided in this Act. . . .

41 Revisor's Note  
42 (End of Chapter)

43 (1) Sections 2 and 19, Chapter 511, Acts of the  
44 65th Legislature, Regular Session, 1977, provide for

1 the transfer of certain land, buildings, improvements,  
2 equipment, funds, and taxes to the district after the  
3 district is created and provide for the assumption of  
4 debt by the district on creation. The revised law  
5 omits the provisions as executed. The omitted law  
6 reads:

7           Sec. 2. [The district] shall take  
8 over and there shall be transferred to it  
9 title to all land, buildings, improvements,  
10 and equipment pertaining to the hospitals  
11 or hospital system which may be located  
12 wholly within the district and owned by  
13 Wilson County or any city or town within the  
14 district and . . . . The district shall  
15 assume the outstanding indebtedness  
16 incurred by Wilson County or any city or  
17 town within the district to provide medical  
18 care for residents of the district prior to  
19 the creation of the district.

20           Sec. 19. . . . When the district is  
21 created and established, the county and all  
22 towns and cities located wholly or partly in  
23 it shall convey and transfer to the district  
24 title to all land, buildings, improvements,  
25 and equipment in anywise pertaining to a  
26 hospital or hospital system located wholly  
27 within the district which may be jointly or  
28 separately owned by the county or any city  
29 or town within the district. Operating  
30 funds and reserves for operating expenses  
31 which are on hand and funds which have been  
32 budgeted to provide medical care for  
33 residents of the district by the county or  
34 any city or town in the district for the  
35 remainder of the fiscal year in which the  
36 district is established shall likewise be  
37 transferred to the district, as shall taxes  
38 previously levied for hospital purposes for  
39 the current year, and all sinking funds  
40 established for payment of indebtedness  
41 assumed by the district.

42           (2) Section 22, Chapter 511, Acts of the 65th  
43 Legislature, Regular Session, 1977, states that public  
44 notice of enactment of the statute was provided in a  
45 manner that satisfies the requirements of the Texas  
46 Constitution. The revised law omits that section as  
47 executed. The omitted law reads:

48           Sec. 22. The legislature finds  
49 publication of the notice required in the  
50 enactment of this law under the provisions  
51 of Article IX, Section 9 of the Texas  
52 Constitution, has been made in the manner  
53 and form provided by law pertaining to the  
54 enactment of local and special laws.

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15 CHAPTER 1116. WOOD COUNTY CENTRAL HOSPITAL DISTRICT  
16 OF WOOD COUNTY, TEXAS  
17 SUBCHAPTER A. GENERAL PROVISIONS  
18 Revised Law  
19 Sec. 1116.001. DEFINITIONS. In this chapter:  
20 (1) "Board" means the board of directors of the  
21 district.  
22 (2) "Director" means a member of the board.  
23 (3) "District" means the Wood County Central Hospital  
24 District of Wood County, Texas. (New.)  
25 Revisor's Note  
26 The definitions of "board," "director," and  
27 "district" are added to the revised law for drafting  
28 convenience and to eliminate frequent, unnecessary  
29 repetition of the substance of the definitions.  
30 Revised Law  
31 Sec. 1116.002. AUTHORITY FOR CREATION. The Wood County  
32 Central Hospital District of Wood County, Texas, is created under  
33 the authority of Section 9, Article IX, Texas Constitution. (Acts  
34 60th Leg., R.S., Ch. 293, Sec. 1.)



1 election. For the convenience of the reader, the  
2 revised law also adds a cross-reference to the  
3 subchapter in which that section is revised.

4 Revised Law

5 Sec. 1116.004. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
6 OBLIGATION. The support and maintenance of the district's hospital  
7 system and any indebtedness incurred by the district under this  
8 chapter may not become a charge against or obligation of this state.  
9 (Acts 60th Leg., R.S., Ch. 293, Sec. 18 (part).)

10 Source Law

11 Sec. 18. The support and maintenance of the  
12 hospital system of the district and any indebtedness  
13 incurred by the district under this Act shall never  
14 become a charge against nor an obligation of the State  
15 of Texas, . . . .

16 Revised Law

17 Sec. 1116.005. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
18 The legislature may not make a direct appropriation for the  
19 construction, maintenance, or improvement of a district facility.  
20 (Acts 60th Leg., R.S., Ch. 293, Sec. 18 (part).)

21 Source Law

22 Sec. 18. . . . nor shall any direct  
23 appropriation be made by the Legislature of the State  
24 of Texas for the construction, maintenance, or  
25 improvement of any of the facilities of the district.

26 Revisor's Note  
27 (End of Subchapter)

28 Sections 4(a), (e), (f), (g), and (h) and Section  
29 7, Chapter 293, Acts of the 60th Legislature, Regular  
30 Session, 1967, provide procedures for holding an  
31 election on the creation of the district and the  
32 imposition of an ad valorem tax. Because the election  
33 has been held, the revised law omits those provisions  
34 as executed. The omitted law reads:

35 Sec. 4. (a) On receiving the  
36 petition of 100 people who are qualified  
37 property taxpaying electors of a proposed  
38 hospital district, or by its own order,  
39 recorded in the minutes, the commissioners  
40 court of Wood County shall order an election  
41 to be held to approve the creation of the  
42 proposed hospital district and to elect a

1 board of directors. The election must be  
2 held during the period beginning on the 20th  
3 day and ending with the 30th day after the  
4 date of the order.

5 (e) At the election, the qualified  
6 property taxpaying electors shall vote  
7 whether or not the proposed hospital  
8 district is to be created. A majority of the  
9 qualified property taxpaying electors must  
10 approve the creation of the district.

11 (f) The ballot for the creation of  
12 the district must be substantially as  
13 follows:

14 "FOR the creation of the Wood County  
15 Central Hospital District of Wood County,  
16 Texas."

17 "AGAINST the creation of the Wood  
18 County Central Hospital District of Wood  
19 County, Texas."

20 (g) If a majority of the persons  
21 voting in the election vote for the creation  
22 of the district, the commissioners court  
23 shall, within ten days after the results are  
24 filed, declare the results and order the  
25 district created. A copy of this order shall  
26 be placed in the minutes of the court.

27 (h) If the proposition to create the  
28 Wood County Central Hospital District of  
29 Wood County, Texas, fails to carry at the  
30 election, no other election for the same  
31 purpose may be held within one year after  
32 the result of the election is announced  
33 officially.

34 Sec. 7. (a) At the time of the  
35 election to create the district and to elect  
36 directors, the commissioners court may  
37 order an election to determine whether the  
38 district may levy taxes within the  
39 district. This tax may not exceed 35 cents  
40 on the \$100 valuation of all taxable  
41 property within the district, subject to  
42 hospital district taxation. If the  
43 commissioners court does not include this  
44 election in the order for the election to  
45 create the district, the board of directors  
46 may order this election at any time.

47 (b) Prior to this election, notice  
48 must be given by the appropriate  
49 governmental unit, either the commissioners  
50 court or the board of directors in the same  
51 manner provided in Section 4 of this Act.  
52 The presiding judge of each voting place  
53 shall certify the results to the  
54 appropriate governmental unit which shall  
55 declare the results. The results are to be  
56 of public record.

57 (c) The ballot for this election must  
58 contain substantially the following:

59 "FOR the levy of a tax not to exceed 35  
60 cents on the \$100 valuation on all property  
61 subject to taxation within the district."

62 "AGAINST the levy of a tax not to  
63 exceed 35 cents on the \$100 valuation on all  
64 property subject to taxation within the  
65 district."

66 (d) The board of directors shall not  
67 levy any tax within the district until a

1 majority of the qualified electors in the  
2 district voting in an election for this  
3 purpose vote for the levy of this tax.

4 [Sections 1116.006-1116.050 reserved for expansion]

5 SUBCHAPTER B. DISTRICT ADMINISTRATION

6 Revised Law

7 Sec. 1116.051. BOARD ELECTION; TERM. (a) The board  
8 consists of six directors elected from the district at large unless  
9 the boundaries of the district are expanded under Subchapter G or H.

10 (b) Directors serve staggered two-year terms unless:

11 (1) the alternate terms provided by Section 1116.307,  
12 1116.353, or 1116.354 apply; or

13 (2) four-year terms are established under Section  
14 285.081, Health and Safety Code. (Acts 60th Leg., R.S., Ch. 293,  
15 Secs. 5(a) (part), (d), (e), (g).)

16 Source Law

17 Sec. 5. (a) At the election to create the  
18 district, the qualified voters of the proposed  
19 hospital district shall receive a separate ballot to  
20 elect six directors . . . .

21 (d) Each person entitled to vote for director  
22 may cast his vote for six candidates.

23 (e) The six persons receiving the highest number  
24 of votes at the election shall constitute the first  
25 board of directors. The three directors receiving the  
26 highest number of votes hold office until the second  
27 regular election of directors and until their  
28 successors are elected and have qualified. The  
29 remaining directors hold office until the next regular  
30 election following their election and until their  
31 successors are elected and have qualified.

32 (g) A director holds office for a term of two  
33 years and until his successor is elected and  
34 qualified.

35 Revisor's Note

36 (1) Sections 5(a), (d), and (e), Chapter 293,  
37 Acts of the 60th Legislature, Regular Session, 1967,  
38 prescribe the procedures for electing the initial  
39 board and the terms of the initial directors. The  
40 revised law omits those provisions as executed but  
41 codifies the establishment of a board consisting of  
42 six directors elected from the district at large  
43 serving staggered terms.

1           (2) Section 5(e), Chapter 293, Acts of the 60th  
2           Legislature, Regular Session, 1967, provides for a  
3           board consisting of six directors. In 1979, Chapter  
4           293 was amended by Chapter 172, Acts of the 66th  
5           Legislature, Regular Session, 1979, which added  
6           Section 7B, which provides for an expansion of the  
7           board should the district's boundaries be expanded to  
8           include all territory in the Alba-Golden, Yantis, and  
9           Hawkins Independent School Districts. Section 7B also  
10          provides for terms other than two years for temporary  
11          directors. For the convenience of the reader, the  
12          revised law adds a cross-reference to Section 7B,  
13          revised in this chapter as Subchapter H, and to the  
14          provisions of Section 7B that provide for terms for  
15          temporary directors appointed under that section,  
16          revised in this chapter as Sections 1116.353 and  
17          1116.354.

18          (3) Section 7C, as added by Section 2, Chapter  
19          1080, Acts of the 79th Legislature, Regular Session,  
20          2005, provides for an expansion of the board should the  
21          district's boundaries be expanded to include all  
22          territory in the Mineola Independent School District.  
23          Section 7C also provides for terms other than two years  
24          for temporary directors and certain directors on the  
25          initial board elected under that section. For the  
26          convenience of the reader, the revised law adds a  
27          cross-reference to Section 7C, revised in this chapter  
28          as Subchapter G, and to the provision of Section 7C  
29          that provides for terms for temporary directors  
30          appointed under that section and for terms for certain  
31          directors on the initial board elected under that  
32          section, revised in this chapter as Section 1116.307.

33          (4) Section 5(f), Chapter 293, Acts of the 60th  
34          Legislature, Regular Session, 1967, provides that

1 directors' elections are held on the first Saturday in  
2 April each year. The revised law omits that provision  
3 as impliedly repealed by a later amendment to Section  
4 41.001, Election Code. Chapter 14, Acts of the 69th  
5 Legislature, 3rd Called Session, 1986, amended Section  
6 41.001, Election Code, to prescribe certain uniform  
7 election dates. Section 37 of that act required a  
8 political subdivision that held its general election  
9 of officers on a date other than a uniform election  
10 date to hold that election on a uniform election date  
11 in May or to choose a different uniform election date  
12 on which to hold the election. The omitted law reads:

13 (f) Each year on the first Saturday  
14 in April an election is to be held for the  
15 purpose of electing the appropriate number  
16 of directors to the board.

17 (5) Section 5(g), Chapter 293, Acts of the 60th  
18 Legislature, Regular Session, 1967, provides that  
19 directors serve two-year terms. Section 285.081,  
20 Health and Safety Code, applicable to this hospital  
21 district, provides a mechanism by which the governing  
22 board of a hospital district, on its own motion, may  
23 order that the directors are to be elected in  
24 even-numbered years to serve staggered four-year  
25 terms. The revised law is drafted accordingly and adds  
26 a reference to Section 285.081 for the convenience of  
27 the reader.

28 (6) Section 5(g), Chapter 293, Acts of the 60th  
29 Legislature, Regular Session, 1967, provides that a  
30 director serves until the successor is "elected and  
31 qualified." The revised law omits that provision  
32 because it duplicates Section 17, Article XVI, Texas  
33 Constitution, which provides that an officer in this  
34 state is to continue to perform the officer's official  
35 duties until a successor has qualified.

1 Revised Law

2 Sec. 1116.052. QUALIFICATIONS FOR OFFICE. To qualify for  
3 election to the board, a person must:

- 4 (1) be at least 18 years of age;  
5 (2) have been a resident of the district for at least  
6 two years; and  
7 (3) be a qualified voter of the district. (Acts 60th  
8 Leg., R.S., Ch. 293, Sec. 5(b).)

9 Source Law

10 (b) To qualify for election to the board, a  
11 person must:

- 12 (1) be at least 18 years of age;  
13 (2) have been a resident of the district  
14 for at least two years; and  
15 (3) be a qualified elector of the  
16 district.

17 Revisor's Note

18 Section 5(b), Chapter 293, Acts of the 60th  
19 Legislature, Regular Session, 1967, refers to  
20 "electors." Throughout this chapter, the revised law  
21 substitutes "voter" for "elector" because "voter" is  
22 the term used in the Election Code.

23 Revised Law

24 Sec. 1116.053. BOND; RECORD OF BOND AND OATH OF OFFICE. (a)  
25 Each director shall qualify for office by executing a good and  
26 sufficient commercial bond for \$1,000 that is:

- 27 (1) payable to the district; and  
28 (2) conditioned on the faithful performance of the  
29 director's duties.

30 (b) The district shall pay for a director's bond.

31 (c) Each director's bond and constitutional oath of office  
32 shall be deposited with the district's depository for safekeeping.  
33 (Acts 60th Leg., R.S., Ch. 293, Sec. 6(a) (part).)

34 Source Law

35 Sec. 6. (a) When a person is elected . . . he  
36 shall qualify for office by executing . . . a good and  
37 sufficient commercial bond for \$1,000 payable to the  
38 district, conditioned upon the faithful performance of  
39 his duties. The oath and bond are to be deposited with  
40 the district depository for safekeeping. The cost of

1 the bond is an expense of the district.

2 Revisor's Note

3 Section 6(a), Chapter 293, Acts of the 60th  
4 Legislature, Regular Session, 1967, requires each  
5 director to take the constitutional oath of office.  
6 The revised law omits that provision because Section  
7 1, Article XVI, Texas Constitution, requires an  
8 officer of this state to take the constitutional oath  
9 (or affirmation) before assuming office. The omitted  
10 law reads:

11 (a) . . . [a person . . . elected] to  
12 the board of directors . . . [shall qualify  
13 . . . by executing] the constitutional oath  
14 of office and . . . .

15 Revised Law

16 Sec. 1116.054. BOARD VACANCY. If a vacancy occurs on the  
17 board, the board shall appoint a director for the unexpired term.  
18 (Acts 60th Leg., R.S., Ch. 293, Sec. 5(h).)

19 Source Law

20 (h) A vacancy on the board shall be filled by  
21 appointment of the board for the unexpired term.

22 Revised Law

23 Sec. 1116.055. OFFICERS. The board shall elect from among  
24 its members a president, a secretary, and a treasurer at the first  
25 meeting after each directors' election. (Acts 60th Leg., R.S., Ch.  
26 293, Sec. 6(b).)

27 Source Law

28 (b) The directors shall at the first meeting  
29 after the election elect a president, a secretary, and  
30 a treasurer from their number.

31 Revised Law

32 Sec. 1116.056. COMPENSATION; EXPENSES. A director is not  
33 entitled to compensation but is entitled to reimbursement for any  
34 necessary expense incurred in the performance of official duties.  
35 (Acts 60th Leg., R.S., Ch. 293, Sec. 6(c).)

36 Source Law

37 (c) A member of the board of directors is not  
38 entitled to compensation for his services. However,  
39 each member is entitled to reimbursement for any

1 necessary expense incurred by him in the performance  
2 of the duties of his office.

3 Revised Law

4 Sec. 1116.057. DISTRICT ADMINISTRATOR. (a) The board may  
5 employ a district administrator to manage the operations of the  
6 hospital system.

7 (b) The district administrator may employ necessary  
8 personnel to perform the services provided by the hospital system.

9 (Acts 60th Leg., R.S., Ch. 293, Sec. 11(e) (part).)

10 Source Law

11 (e) The board may

12 . . .  
13 (3) employ an administrator to manage the  
14 operations of the hospital system, who may hire  
15 necessary personnel to perform the services provided  
16 by the system.

17 Revised Law

18 Sec. 1116.058. EMPLOYEES. The board may employ an  
19 attorney, a general manager, a bookkeeper, an architect, and other  
20 employees necessary for the efficient operation of the district.

21 (Acts 60th Leg., R.S., Ch. 293, Sec. 11(e) (part).)

22 Source Law

23 (e) The board may

24 . . .  
25 (2) employ an attorney, general manager,  
26 bookkeeper, architect, and other employees necessary  
27 for the efficient operation of the district; and  
28 . . .

29 Revised Law

30 Sec. 1116.059. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

31 Except as provided by Section 1116.053, the board shall:

32 (1) maintain all district records, including books,  
33 accounts, notices, minutes, and other matters of the district and  
34 the district's operation, at the district office; and

35 (2) make those records available for public inspection  
36 at reasonable times. (Acts 60th Leg., R.S., Ch. 293, Sec. 11(b).)

37 Source Law

38 (b) The board shall keep all books, records,  
39 accounts, notices, minutes, and other matters of the  
40 district and its operation at the office of the  
41 district. The board shall make these items available  
42 for public inspection at reasonable times.

1 Revisor's Note

2 Section 11(b), Chapter 293, Acts of the 60th  
3 Legislature, Regular Session, 1967, requires the  
4 district to maintain all district records at the  
5 district office and make the records available for  
6 public inspection. For the convenience of the reader,  
7 the revised law adds a cross-reference to Section  
8 1116.053 of this chapter because that section provides  
9 an exception to the requirement that all district  
10 records be stored at the district office.

11 Revisor's Note  
12 (End of Subchapter)

13 Section 5(c), Chapter 293, Acts of the 60th  
14 Legislature, Regular Session, 1967, states that a  
15 person must file the person's name with the  
16 commissioners court to be a candidate for director on  
17 the initial board and prescribes a deadline for that  
18 filing. The revised law omits the provision as  
19 executed. The omitted law reads:

20 (c) Any person who is qualified to  
21 serve on the board of directors and who  
22 desires to serve shall file his name with  
23 the commissioners court at least two weeks  
24 before the date of the election.

25 [Sections 1116.060-1116.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Revised Law

28 Sec. 1116.101. DISTRICT RESPONSIBILITY. The district shall  
29 provide all necessary medical and hospital care for the district's  
30 needy inhabitants. (Acts 60th Leg., R.S., Ch. 293, Sec. 3 (part).)

31 Source Law

32 Sec. 3. . . . This district shall provide all  
33 necessary hospital and medical care for the needy  
34 inhabitants of the district.

35 Revised Law

36 Sec. 1116.102. RESTRICTION ON POLITICAL SUBDIVISION  
37 TAXATION AND DEBT. A political subdivision of this state, other  
38 than the district, may not impose a tax or issue bonds or other

1 obligations to provide hospital service or medical care in the  
2 district. (Acts 60th Leg., R.S., Ch. 293, Sec. 3 (part).)

3 Source Law

4 Sec. 3. . . . After this district is created as  
5 provided in Section 4 of this Act, no other  
6 municipality or political subdivision of this state  
7 may levy taxes or issue bonds or other obligations of  
8 indebtedness for the purpose of providing hospital  
9 service or medical care within the district. . . .

10 Revisor's Note

11 (1) Section 3, Chapter 293, Acts of the 60th  
12 Legislature, Regular Session, 1967, provides that  
13 "[a]fter this district is created as provided in  
14 Section 4 of this Act," certain political subdivisions  
15 may not levy taxes or issue bonds. The revised law  
16 omits the quoted language as executed. In addition,  
17 throughout this chapter, the revised law substitutes  
18 "impose" for "levy" because, in the context of  
19 taxation, the terms are synonymous, and "impose" is  
20 more commonly used.

21 (2) Section 3, Chapter 293, Acts of the 60th  
22 Legislature, Regular Session, 1967, refers to a  
23 "municipality or political subdivision." Throughout  
24 this chapter, the revised law omits references to  
25 "municipality" when used in conjunction with  
26 "political subdivision" because "municipality" is  
27 included in the meaning of "political subdivision."

28 Revised Law

29 Sec. 1116.103. MANAGEMENT AND CONTROL OF DISTRICT. The  
30 board has full power to manage and control the district. (Acts 60th  
31 Leg., R.S., Ch. 293, Secs. 5(a) (part), 11(a) (part).)

32 Source Law

33 Sec. 5. (a) . . . elect . . . directors to  
34 manage and control the district.

35 Sec. 11. (a) The board of directors has full  
36 power to manage and control the district. . . .

37 Revised Law

38 Sec. 1116.104. HOSPITAL SYSTEM. The district has the

1 responsibility to establish a hospital or hospital system within  
2 its boundaries to provide hospital and medical care to the  
3 district's residents. (Acts 60th Leg., R.S., Ch. 293, Sec. 3  
4 (part).)

5 Source Law

6 Sec. 3. The district authorized to be created by  
7 this Act is charged with the responsibility of  
8 establishing a hospital or a hospital system within  
9 its boundaries to furnish hospital and medical care to  
10 the residents of the district. . . .

11 Revised Law

12 Sec. 1116.105. RULES. (a) The board shall adopt rules for  
13 the efficient operation of the district and district facilities.

14 (b) The board shall:

15 (1) publish the rules in book form; and

16 (2) provide copies to interested persons on request at  
17 district expense. (Acts 60th Leg., R.S., Ch. 293, Sec. 11(c).)

18 Source Law

19 (c) The board shall adopt rules for the  
20 efficient operation of the district and its facilities  
21 which are not inconsistent with this Act. The board  
22 shall publish these rules and regulations in book form  
23 and furnish copies to interested persons upon request  
24 and at the expense of the district.

25 Revisor's Note

26 (1) Section 11(c), Chapter 293, Acts of the 60th  
27 Legislature, Regular Session, 1967, provides that the  
28 board shall adopt rules that "are not inconsistent  
29 with this Act." The revised law omits the quoted  
30 language because, under established principles of law,  
31 the board is not authorized to take any action contrary  
32 to the laws of this state.

33 (2) Section 11(c), Chapter 293, Acts of the 60th  
34 Legislature, Regular Session, 1967, refers to "rules  
35 and regulations." The revised law omits the reference  
36 to "regulations" because under Section 311.005(5),  
37 Government Code (Code Construction Act), applicable to  
38 the revised law, a rule is defined to include a  
39 regulation.

1 Revised Law

2 Sec. 1116.106. PURCHASING AND ACCOUNTING. The board may  
3 prescribe the method of making purchases and expenditures and the  
4 manner of accounting and control used by the district. (Acts 60th  
5 Leg., R.S., Ch. 293, Sec. 11(e) (part).)

6 Source Law

7 (e) The board may  
8 (1) prescribe the method of making  
9 purchases and expenditures and the manner of  
10 accounting and control used by the district;  
11 . . .

12 Revised Law

13 Sec. 1116.107. EMINENT DOMAIN. (a) The district may  
14 exercise the power of eminent domain to acquire a fee simple or  
15 other interest in real, personal, or mixed property located in  
16 district territory if the interest is necessary or convenient to  
17 exercise a power or duty conferred on the district by this chapter.

18 (b) The district must exercise the power of eminent domain  
19 in the manner provided by Chapter 21, Property Code, except that the  
20 district is not required to deposit in the trial court money or a  
21 bond as otherwise required by Section 21.021(a), Property Code.

22 (c) In a condemnation proceeding, the district is not  
23 required to:

24 (1) pay in advance or provide a bond or other security  
25 for costs in the trial court; or

26 (2) provide a bond for costs or a supersedeas bond on  
27 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 293,  
28 Sec. 14.)

29 Source Law

30 Sec. 14. (a) The district has the power of  
31 eminent domain for the purpose of acquiring by  
32 condemnation any interest, including fee simple, in  
33 any real, personal, or mixed property within the  
34 boundaries of the district that is necessary or  
35 convenient to the exercise of the powers and duties  
36 conferred upon it by this Act.

37 (b) The board shall exercise this power of  
38 eminent domain in the same manner as provided by  
39 general law, with respect to condemnation by counties.  
40 However, the district is not required to make deposits  
41 in the registry of the trial court or to post bond as  
42 required by Section 2, Article 3268, Revised Civil  
43 Statutes of Texas, 1925, as amended.

1 (c) The district is not required to pay in  
2 advance or to give any bond or other security for costs  
3 in the trial court otherwise required for the issuance  
4 relating to a condemnation proceeding, nor is it  
5 required to give a bond for costs or for supersedeas on  
6 an appeal or writ of error proceeding to a Court of  
7 Civil Appeals or to the Supreme Court.

8 Revisor's Note

9 (1) Section 14(a), Chapter 293, Acts of the 60th  
10 Legislature, Regular Session, 1967, provides that the  
11 district "has the power of eminent domain for the  
12 purpose of acquiring [property] by condemnation." The  
13 revised law substitutes for the quoted language "may  
14 exercise the power of eminent domain to acquire  
15 [property]" because the phrases have the same meaning  
16 and the latter phrase is consistent with modern usage  
17 in law relating to eminent domain.

18 (2) Section 14(b), Chapter 293, Acts of the 60th  
19 Legislature, Regular Session, 1967, provides that the  
20 board shall exercise the power of eminent domain in the  
21 manner provided by "general law, with respect to  
22 condemnation by counties." The revised law  
23 substitutes for the quoted language a reference to  
24 Chapter 21, Property Code, because that is the general  
25 law governing eminent domain for governmental  
26 entities, including counties.

27 (3) Section 14(b), Chapter 293, Acts of the 60th  
28 Legislature, Regular Session, 1967, refers to Section  
29 2, Article 3268, Revised Civil Statutes of Texas,  
30 1925, as amended. That statute was codified in 1983 as  
31 Section 21.021(a), Property Code, and the revised law  
32 is drafted accordingly. In addition, the revised law  
33 omits the reference to "as amended" because under  
34 Section 311.027, Government Code (Code Construction  
35 Act), a reference to a statute applies to all  
36 reenactments, revisions, or amendments of that statute  
37 unless expressly provided otherwise.

38 (4) Section 14(c), Chapter 293, Acts of the 60th

1 Legislature, Regular Session, 1967, provides that the  
2 district is not required to provide a bond on an appeal  
3 or writ of error proceeding to "a Court of Civil  
4 Appeals or to the Supreme Court." The revised law  
5 substitutes "petition for review" for "writ of error"  
6 because, effective September 1, 1997, the Texas  
7 Supreme Court replaced the writ of error procedure  
8 with the petition for review procedure. See Rule 53.1,  
9 Texas Rules of Appellate Procedure. The revised law  
10 omits the references to the court of civil appeals (now  
11 the court of appeals) and the supreme court because the  
12 courts of appeals and the supreme court are the only  
13 courts to which the district may appeal or with which  
14 the district may file a petition for review.

15 Revised Law

16 Sec. 1116.108. GIFTS AND ENDOWMENTS. The board may accept  
17 for the district a gift or endowment to be held in trust and  
18 administered by the board under the directions, limitations, or  
19 other provisions prescribed in writing by the donor that are not  
20 inconsistent with the proper management of the district. (Acts  
21 60th Leg., R.S., Ch. 293, Sec. 11(f).)

22 Source Law

23 (f) The board may accept donations, gifts, and  
24 endowments for the district. The board shall hold all  
25 donations, gifts, and endowments in trust and shall  
26 administer them under any direction, limitation, or  
27 provisions as may be prescribed in writing by the  
28 donor, as long as it is not inconsistent with the  
29 proper management of the district.

30 Revisor's Note

31 Section 11(f), Chapter 293, Acts of the 60th  
32 Legislature, Regular Session, 1967, refers to  
33 "donations" and "gifts." The revised law omits the  
34 reference to "donations" because "donations" is  
35 included in the meaning of "gifts."

36 Revised Law

37 Sec. 1116.109. CONTRACTS WITH POLITICAL SUBDIVISIONS FOR

1 HOSPITAL CARE. The board may contract with a political subdivision  
2 to provide hospital and medical care for needy persons who reside  
3 outside the district. (Acts 60th Leg., R.S., Ch. 293, Sec. 11(g).)

4 Source Law

5 (g) The board may enter any contract with a  
6 municipality or other political subdivision to provide  
7 hospital and medical care for needy persons who reside  
8 outside the district.

9 Revised Law

10 Sec. 1116.110. PAYMENT FOR TREATMENT; PROCEDURES. (a) A  
11 person who resides in the district is entitled to receive necessary  
12 medical and hospital care regardless of whether the person has the  
13 ability to pay for the care. The person may apply to receive this  
14 care without cost.

15 (b) The board or the district administrator shall employ a  
16 person to investigate the ability of the patient and any relative  
17 liable for the patient's support to pay for the medical and hospital  
18 care received by the patient.

19 (c) If the investigator finds that neither the patient nor  
20 those relatives can pay all or part of the patient's care, the  
21 expense of this care becomes a charge against the district.

22 (d) If the patient or those relatives can pay for all or part  
23 of the costs of the patient's care, the board shall order the  
24 patient or relative to pay to the district treasurer each week an  
25 amount specified in the order. The amount must be proportionate to  
26 the person's ability to pay.

27 (e) The district may collect the amount from the patient's  
28 estate, or from any relative liable for the patient's support, in  
29 the manner provided by law for the collection of expenses of the  
30 last illness of a deceased person.

31 (f) If there is a dispute as to the ability to pay, or doubt  
32 in the mind of the investigator, the board shall hold a hearing and,  
33 after calling witnesses, shall:

34 (1) determine the question; and

35 (2) make the proper order based on the board's  
36 findings.

1 (g) A party to the hearing who is not satisfied with the  
2 result of the order may appeal to the district court. The appeal is  
3 de novo, as that term is used in an appeal from a justice court to a  
4 county court. (Acts 60th Leg., R.S., Ch. 293, Sec. 13.)

5 Source Law

6 Sec. 13. (a) A person who resides within the  
7 district is entitled to receive necessary medical and  
8 hospital care whether he has the ability to pay for the  
9 care or not. A person who resides within the district  
10 may make application to receive this care without  
11 cost.

12 (b) The board or the administrator shall employ  
13 a person to investigate the ability of the patient and  
14 the ability of any relative who is liable for the  
15 support of the patient to pay for the medical and  
16 hospital care which the patient receives.

17 (c) If the patient or a relative of the patient  
18 who is legally liable for his support is able to pay  
19 for this care in whole or in part, the board shall  
20 order the patient or his relatives to pay to the  
21 treasurer each week an amount specified in the order.  
22 The amount must be in proportion to the ability to pay.

23 (d) The district may collect this amount from  
24 the estate of the patient, or from his relatives who  
25 are liable for his support, in the manner provided by  
26 law for the collection of expenses of the last illness  
27 of a deceased person.

28 (e) If the investigator finds that neither the  
29 patient, nor a relative who is legally liable for his  
30 support, is able to pay in whole or in part for this  
31 care, the expense of this care becomes a charge on the  
32 district.

33 (f) If there is a dispute as to the ability to  
34 pay, or a doubt in the mind of the investigator, the  
35 board shall hear and determine the question, after  
36 calling witnesses, and make the proper order based on  
37 its findings.

38 (g) A party to the hearing who is not satisfied  
39 with the result of the order, may appeal to the  
40 district court. The appeal is de novo as that term is  
41 used in appeals from the justice courts to the county  
42 court.

43 Revisor's Note  
44 (End of Subchapter)

45 (1) Section 11(a), Chapter 293, Acts of the 60th  
46 Legislature, Regular Session, 1967, states that a  
47 provision of that chapter that provides a specific  
48 power or duty does not limit the district's general  
49 authority to carry out the purposes of the act. The  
50 revised law omits that provision because it is a  
51 generally accepted principle of statutory  
52 interpretation that all of a statute is intended to be  
53 given effect and that specific grants of power do not

1 limit more general grants of power. Additionally,  
2 Section 311.021(2), Government Code (Code  
3 Construction Act), provides that an entire statute is  
4 intended to be effective. The omitted law reads:

5 (a) . . . Any provision of this Act  
6 which provides a specific power or duty does  
7 not limit the general authority of the  
8 district to carry out the purposes of this  
9 Act.

10 (2) Section 17, Chapter 293, Acts of the 60th  
11 Legislature, Regular Session, 1967, provides  
12 authority for the "Texas Board of Health, the Texas  
13 Board of Human Resources, or any other state agency  
14 created for a similar purpose" to inspect hospital  
15 district facilities and records. The revised law omits  
16 Section 17 because various state laws, including  
17 Chapters 222 and 241, Health and Safety Code, provide  
18 the necessary inspection authority to appropriate  
19 state agencies. The omitted law reads:

20 Sec. 17. (a) The district is subject  
21 to inspection at any time by an authorized  
22 representative of the Texas Board of  
23 Health, the Texas Board of Human Resources,  
24 or any other state agency created for a  
25 similar purpose.

26 (b) The administrator of the hospital  
27 shall admit a representative into the  
28 facilities of the district and make  
29 accessible on demand all district records,  
30 reports, books, papers, and accounts.

31 [Sections 1116.111-1116.150 reserved for expansion]

32 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

33 Revised Law

34 Sec. 1116.151. BUDGET. The board shall prepare a budget  
35 that includes:

- 36 (1) proposed expenditures and disbursements;  
37 (2) estimated receipts and collections for the next  
38 fiscal year; and  
39 (3) the amount of taxes required to be imposed during  
40 the next fiscal year to meet the proposed budget. (Acts 60th Leg.,  
41 R.S., Ch. 293, Sec. 12(b).)





1 district. All funds of the district shall be deposited  
2 in the depository and shall be secured in the manner  
3 now provided for the security of county funds. The  
4 depository shall serve for a period of two years and  
5 until a successor has been named in accordance with  
6 this section.

7 Revisor's Note

8 (1) Section 15, Chapter 293, Acts of the 60th  
9 Legislature, Regular Session, 1967, requires the board  
10 to select a depository bank "[w]ithin 30 days after the  
11 qualification of the board of directors." The revised  
12 law omits the quoted language as executed.

13 (2) Section 15, Chapter 293, Acts of the 60th  
14 Legislature, Regular Session, 1967, refers to "the  
15 county in which the district is located." Throughout  
16 this chapter, the revised law substitutes "Wood  
17 County" for the quoted language because the district  
18 is wholly located in Wood County.

19 [Sections 1116.156-1116.200 reserved for expansion]

20 SUBCHAPTER E. BONDS

21 Revised Law

22 Sec. 1116.201. BONDS. (a) The district may issue bonds  
23 to:

24 (1) purchase, construct, acquire, repair, or renovate  
25 buildings and improvements; and

26 (2) equip buildings for hospital purposes.

27 (b) The total face value of the bonds may not exceed the  
28 amount specified in the election order. (Acts 60th Leg., R.S., Ch.  
29 293, Secs. 9(a) (part), 10(a).)

30 Source Law

31 Sec. 9. (a) . . . the district may issue bonds  
32 for the purchase, construction, acquisition, repair,  
33 or renovation of buildings and improvements, and for  
34 equipping the buildings for hospital purposes. . . .

35 Sec. 10. (a) After a majority of those persons  
36 voting at the election vote for the levy of a tax, the  
37 board may issue bonds, the total of the face value not  
38 to exceed the amount specified in the order of the  
39 election.

40 Revisor's Note

41 Section 10(a), Chapter 293, Acts of the 60th

1 Legislature, Regular Session, 1967, provides that the  
2 board may issue bonds "[a]fter a majority of those  
3 persons voting at the election vote for the levy of a  
4 tax." The revised law omits the quoted language as  
5 executed.

6 Revised Law

7 Sec. 1116.202. TAX TO PAY BONDS. The board may issue bonds  
8 under Section 1116.201 only if the board imposes an ad valorem tax  
9 at a rate sufficient to create an interest and sinking fund to pay  
10 the principal of and interest on the bonds as the bonds mature.  
11 (Acts 60th Leg., R.S., Ch. 293, Sec. 10(c).)

12 Source Law

13 (c) The board may not issue any bonds unless a  
14 sufficient tax is levied to create an interest and  
15 sinking fund to pay the interest and principal as it  
16 matures.

17 Revisor's Note

18 Section 10(c), Chapter 293, Acts of the 60th  
19 Legislature, Regular Session, 1967, requires the levy  
20 of an annual tax to pay the principal of and interest  
21 on bonds. The revised law specifies that the tax is an  
22 "ad valorem" tax because it is clear from the source  
23 law that the tax is a property tax. Section 1(b),  
24 Article VIII, Texas Constitution, requires all  
25 property that is taxed to be taxed in proportion to its  
26 value, and accordingly "ad valorem" tax is the term  
27 most commonly used in Texas law to refer to a tax on  
28 property.

29 Revised Law

30 Sec. 1116.203. BOND ELECTION. (a) The board may issue  
31 bonds under Section 1116.201 only if the bonds are authorized by a  
32 majority of the district voters voting in an election held for that  
33 purpose.

34 (b) The board may order a bond election at any time.

35 (c) The order calling an election must include:

36 (1) the time of the election;

- 1 (2) the location of the polling places;
- 2 (3) the form of the ballots;
- 3 (4) the presiding judge for each polling place;
- 4 (5) the purpose of the bond issuance;
- 5 (6) the amount of the bonds to be issued;
- 6 (7) the maximum interest rate of the bonds; and
- 7 (8) the maximum maturity date of the bonds.

8 (d) A substantial copy of the election order shall be  
9 published in a newspaper of general circulation in the district  
10 once a week for two consecutive weeks before the date of the  
11 election. The first notice must be published at least 14 days  
12 before the date of the election.

13 (e) A copy of the election results must be filed with the  
14 county clerk and become a public record. (Acts 60th Leg., R.S., Ch.  
15 293, Secs. 4(b), (c), (d) (part), 9(a) (part), (b), (d).)

16 Source Law

- 17 [Sec. 4]
- 18 (b) The order calling the election must contain  
19 the time and place, or places, of holding the election,  
20 the form of the ballots, and the presiding judge for  
21 each voting place.
  - 22 (c) The commissioners court shall publish a  
23 substantial copy of the election order in a newspaper  
24 of general circulation in the district once a week for  
25 two consecutive weeks before the date of the election.  
26 The first notice must be published at least 14 days  
27 before the date of the election.
  - 28 (d) . . . A copy of the results is to be filed  
29 with the county clerk and becomes of public record.

30 Sec. 9. (a) . . . If the commissioners court  
31 does not include this election in the order for the  
32 election to create the district, the board of  
33 directors may order this election at any time.

- 34 (b) The order and notice of election and the  
35 certification declaration of the results to the county  
36 clerk are governed by Section 4 of this Act. In  
37 addition to the provisions of that section, the order  
38 of this election must include:
  - 39 (1) the purpose for which the bonds are to  
40 be issued;
  - 41 (2) the amount of the proposed bond issue;
  - 42 (3) the maximum interest rate; and
  - 43 (4) the maximum maturity date of the  
44 bonds.

45 (d) The board of directors shall not issue any  
46 bonds until a majority of the qualified electors  
47 voting in an election for this purpose vote for the  
48 issuance of these bonds.

1 Revisor's Note

2 (1) Section 4(d), Chapter 293, Acts of the 60th  
3 Legislature, Regular Session, 1967, provides that the  
4 presiding judge of each voting place shall count the  
5 votes and certify the results to the commissioners  
6 court within 10 days. The revised law omits those  
7 requirements as superseded by Sections 67.002, 67.003,  
8 and 67.004, Election Code, applicable to the district  
9 under Section 61.001, Election Code, which require the  
10 governing body of a political subdivision that orders  
11 an election to canvass the returns and provides the  
12 time frame and procedures for the canvass. The omitted  
13 law reads:

14 (d) The presiding judge of each  
15 voting place shall supervise the counting  
16 of all votes cast and shall certify the  
17 results to the commissioners court within  
18 ten days after the election. . . .

19 (2) Section 9(a), Chapter 293, Acts of the 60th  
20 Legislature, Regular Session, 1967, authorizes the  
21 commissioners court to order a bond election at the  
22 election to create the district. The revised law omits  
23 that provision because the creation election has been  
24 conducted. The omitted law reads:

25 Sec. 9. (a) At the time of the  
26 election to create the district the  
27 commissioners court may order an election  
28 to determine whether [the district may  
29 issue bonds] . . . .

30 (3) Section 9(d), Chapter 293, Acts of the 60th  
31 Legislature, Regular Session, 1967, refers to a  
32 majority vote of the district's "qualified electors."  
33 Throughout this chapter, the revised law omits  
34 "qualified" as unnecessary in this context because  
35 Chapter 11, Election Code, governs eligibility to vote  
36 in an election in this state and allows only  
37 "qualified" voters who are residents of the territory  
38 covered by the election to vote in an election. The

1 revised law substitutes "voter" for "elector" for the  
2 reason stated in the revisor's note to Section  
3 1116.052.

4 Revised Law

5 Sec. 1116.204. MATURITY OF BONDS. District bonds must  
6 mature not later than 40 years after the date of issuance. (Acts  
7 60th Leg., R.S., Ch. 293, Sec. 9(c) (part).)

8 Source Law

9 (c) . . . The board of directors shall not issue  
10 any bond which matures more than 40 years from the date  
11 of issuance.

12 Revisor's Note

13 Section 9(c), Chapter 293, Acts of the 60th  
14 Legislature, Regular Session, 1967, provides that  
15 district bonds must bear interest at a rate that does  
16 not exceed the rate provided by Chapter 3, Acts of the  
17 61st Legislature, Regular Session, 1969 (Article  
18 717k-2, Vernon's Texas Civil Statutes). The revised  
19 law omits that provision because the maximum interest  
20 rate noted in Chapter 3 was revised in 1999 as Section  
21 1204.006, Government Code, and Section 1204.006  
22 applies to the district by its terms under Section  
23 1204.001, Government Code. The omitted law reads:

24 (c) The Board may not issue bonds  
25 that bear interest exceeding that  
26 prescribed by Chapter 3, Acts of the 61st  
27 Legislature, Regular Session, 1969, as  
28 amended (Article 717k-2, Vernon's Texas  
29 Civil Statutes). . . .

30 Revised Law

31 Sec. 1116.205. EXECUTION OF BONDS. The board president  
32 shall execute the district's bonds in the district's name, and the  
33 board secretary shall countersign the bonds. (Acts 60th Leg.,  
34 R.S., Ch. 293, Sec. 10(b) (part).)

35 Source Law

36 (b) The president of the board shall execute the  
37 bonds in the name of and on behalf of the hospital  
38 district. The secretary of the board of directors  
39 shall countersign the bonds. . . .



1 district bonds may be made optional for redemption  
2 before maturity. The revised law omits that provision  
3 because it duplicates Section 1201.021, Government  
4 Code, which provides that a public security may be  
5 issued as redeemable before maturity at one or more  
6 specified times. Section 1201.021, Government Code,  
7 applies to district bonds by application of Section  
8 1201.002, Government Code. The omitted law reads:

9 (d) All bonds issued by the district  
10 may be made optional for redemption prior to  
11 their maturity date in the discretion of the  
12 board.

13 (3) Section 10(e), Chapter 293, Acts of the 60th  
14 Legislature, Regular Session, 1967, authorizes the  
15 district to issue refunding bonds for bonds issued  
16 under that section. The revised law omits this  
17 provision because Chapter 1207, Government Code,  
18 provides general authority for an issuer, including a  
19 hospital district, to issue refunding securities.  
20 Section 10(e) also provides that refunding bonds  
21 issued under Section 10 must bear interest at the same  
22 or lower rate than the bonds being refunded unless the  
23 refunding will result in a lower total amount of  
24 interest paid. The revised law omits that provision  
25 because it has been superseded by the enactment of the  
26 maximum interest rate provision found in Section  
27 1204.006, Government Code. That section reflects the  
28 1981 amendment of Chapter 3, Acts of the 61st  
29 Legislature, Regular Session, 1969 (Article 717k-2,  
30 Vernon's Texas Civil Statutes, now Chapter 1204,  
31 Government Code), by Section 1, Chapter 61, Acts of the  
32 67th Legislature, Regular Session, 1981, and permits a  
33 public agency, including a hospital district, to issue  
34 public securities at any net effective interest rate  
35 of 15 percent or less. Section 1204.006, Government  
36 Code, applies to district bonds by application of

1 Section 1204.001, Government Code. The omitted law  
2 reads:

3 (e) The board may elect to refund and  
4 pay off any validly issued and outstanding  
5 bonds issued by the district. However, the  
6 refund bonds issued must bear interest at  
7 the same or a lower rate than the bonds  
8 being refunded unless it is shown  
9 mathematically that a savings will result  
10 in the total interest to be paid.

11 (4) Section 16, Chapter 293, Acts of the 60th  
12 Legislature, Regular Session, 1967, provides that  
13 district bonds are legal and authorized investments of  
14 certain entities. The revised law omits the provision  
15 as unnecessary. As to several of the entities listed,  
16 Section 16 has been superseded and impliedly repealed.  
17 Investments in securities by banks are regulated by  
18 Section 34.101, Finance Code (enacted in 1995 as  
19 Section 5.101, Texas Banking Act (Article 342-5.101,  
20 Vernon's Texas Civil Statutes)). Investments in  
21 securities by savings banks are regulated by Section  
22 93.001(c)(10), Finance Code (enacted in 1993 as  
23 Section 7.15(10), Texas Savings Bank Act (Article  
24 489e, Vernon's Texas Civil Statutes)). Investments in  
25 securities by trust companies are regulated by Section  
26 184.101, Finance Code (enacted in 1997 as Section  
27 5.101, Texas Trust Company Act (Article 342a-5.101,  
28 Vernon's Texas Civil Statutes)). Investments in  
29 securities by building and loan associations (now  
30 called savings and loan associations) are regulated by  
31 Sections 63.002 and 64.001, Finance Code. As to the  
32 remaining entities listed, Section 16 is superseded by  
33 Section 1201.041, Government Code, enacted as Section  
34 9, Bond Procedures Act of 1981 (Article 717k-6,  
35 Vernon's Texas Civil Statutes). Section 1201.041,  
36 Government Code, applies to district bonds by  
37 application of Section 1201.002, Government Code. The  
38 revised law omits the reference to public funds of this

1 state because it has been superseded by Section  
2 404.024, Government Code (enacted in 1985 as Section  
3 2.014, Treasury Act (Article 4393-1, Vernon's Texas  
4 Civil Statutes), and last amended in 2007), which  
5 governs the investment of state funds. Section  
6 404.024(b)(10), Government Code, authorizes the  
7 investment of state funds in obligations of political  
8 subdivisions, including hospital districts. The  
9 revised law omits the reference to public funds of  
10 political subdivisions or public agencies of the state  
11 because it has been superseded by Chapter 2256,  
12 Government Code (enacted in 1987 as the Public Funds  
13 Investment Act of 1987 (Article 842a-2, Vernon's Texas  
14 Civil Statutes)), which governs the investment of  
15 local funds. The omitted law reads:

16           Sec. 16. All bonds of the district  
17 shall be and are hereby declared to be legal  
18 and authorized investments of banks,  
19 savings banks, trust companies, building  
20 and loan associations, savings and loan  
21 associations, insurance companies,  
22 fiduciaries, trustees, and sinking funds of  
23 cities, towns, villages, counties, school  
24 districts, or other political subdivisions  
25 of the State of Texas, and for all public  
26 funds of the State of Texas or its agencies  
27 including the State Permanent School  
28 Fund. . . .

29           (5) Section 16, Chapter 293, Acts of the 60th  
30 Legislature, Regular Session, 1967, provides that  
31 district bonds may secure deposits of public funds of  
32 the state or public agencies. The revised law omits  
33 the provisions relating to deposits of state funds by  
34 the comptroller as impliedly repealed by Section  
35 404.0221, Government Code (enacted in 1995), which  
36 lists eligible collateral for deposits of state funds  
37 by the comptroller. As to deposits of other funds, the  
38 provision duplicates Chapter 2257, Government Code,  
39 which governs eligible collateral for deposits of  
40 funds of other public agencies, including political

1 subdivisions, and permits those deposits to be secured  
2 by obligations issued by hospital districts. The  
3 omitted law reads:

4 Sec. 16. . . . Such bonds shall be  
5 eligible to secure the deposit of public  
6 funds of the State of Texas and public funds  
7 of cities, towns, villages, counties,  
8 school districts or other political  
9 subdivisions, or corporations of the State  
10 of Texas, and such bonds shall be lawful and  
11 sufficient security for said deposits to  
12 the extent of their value when accompanied  
13 by all unmatured coupons appurtenant  
14 thereto.

15 [Sections 1116.206-1116.250 reserved for expansion]

16 SUBCHAPTER F. TAXES

17 Revised Law

18 Sec. 1116.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
19 shall impose a tax on all property in the district subject to  
20 district taxation.

21 (b) The tax may be used only to:

22 (1) pay the interest on and create a sinking fund for  
23 bonds issued under this chapter;

24 (2) provide for the operation and maintenance of the  
25 district and the hospital system;

26 (3) make improvements and additions to the hospital  
27 system; and

28 (4) acquire sites for additions to the hospital  
29 system. (Acts 60th Leg., R.S., Ch. 293, Secs. 8(a) (part), (c).)

30 Source Law

31 (a) . . . the board of directors shall levy a  
32 tax . . . on all property subject to hospital district  
33 taxation within the district.

34 (c) The board may use the proceeds of this tax  
35 for the following purposes, only:

36 (1) paying the interest on and creating a  
37 sinking fund for bonds issued under the provisions of  
38 this Act;

39 (2) providing for the operation and  
40 maintenance of the hospital district and the hospital  
41 system;

42 (3) making improvements and additions to  
43 the hospital system; and

44 (4) acquiring sites for the additions to  
45 the hospital system.

1 Revisor's Note

2 (1) Section 8(a), Chapter 293, Acts of the 60th  
3 Legislature, Regular Session, 1967, requires the  
4 district to impose an ad valorem tax after a vote. The  
5 revised law omits the quoted language as executed. The  
6 omitted law reads:

7 Sec. 8. (a) After a majority of  
8 those persons voting at the election vote  
9 for the levy of a tax, . . . .

10 (2) Sections 8(b) and (d), Chapter 293, Acts of  
11 the 60th Legislature, Regular Session, 1967, require  
12 the board to impose taxes at a certain time and in a  
13 certain manner. The revised law omits these  
14 provisions because they were repealed by Section 6(b),  
15 Chapter 841, Acts of the 66th Legislature, Regular  
16 Session, 1979, which repealed all "general, local, and  
17 special laws" that conflicted with that act. The 1979  
18 act enacted the Property Tax Code (Title 1, Tax Code),  
19 a comprehensive, substantive codification of all  
20 property tax law. Title 1, Tax Code, provides the  
21 exclusive procedures for the imposition and collection  
22 of property taxes by a taxing unit, including a  
23 hospital district. The omitted law reads:

24 (b) The board shall use the same  
25 valuation (which appears on the county tax  
26 rolls) used by the commissioners court in  
27 taxing the property for county purposes.

28 (d) On or before October 1 of each  
29 year, the board shall levy the tax and  
30 . . . . The taxes of the district are  
31 subject to the same conditions as the taxes  
32 of the county.

33 (3) Section 8(d), Chapter 293, Acts of the 60th  
34 Legislature, Regular Session, 1967, requires the board  
35 to levy the tax and to certify the tax rate to the  
36 county tax assessor-collector. The revised law omits  
37 those provisions because Section 26.05(a), Tax Code,  
38 requires the governing body of a taxing unit to adopt a  
39 tax rate for the current tax year and to notify the tax

1           assessor for the taxing unit of that rate. The omitted  
2           law reads:

3                       (d) . . . [the board shall levy the  
4                       tax and] immediately certify the tax rate to  
5                       the tax assessor and collector of the county  
6                       in which the district is located. . . .

7                                       Revised Law

8           Sec. 1116.252. TAX RATE. Unless the tax rate is increased  
9           as provided by Section 1116.253, the board may impose the tax at a  
10          rate not to exceed 35 cents on each \$100 valuation of all property  
11          in the district subject to taxation. (Acts 60th Leg., R.S., Ch.  
12          293, Sec. 8(a) (part).)

13                                       Source Law

14                       (a) . . . [the board of directors shall levy a  
15                       tax] not to exceed 35 cents on the \$100 valuation [on  
16                       all property subject to hospital district taxation  
17                       within the district].

18                                       Revised Law

19          Sec. 1116.253. ELECTION TO INCREASE MAXIMUM TAX RATE;  
20          ORDER; NOTICE; BALLOT. (a) The board may order an election to  
21          increase the district's maximum tax rate to a rate not to exceed 75  
22          cents on each \$100 valuation of all property in the district subject  
23          to district taxation.

24                       (b) The maximum tax rate may not be increased unless the  
25          increase is approved by a majority of the district voters voting in  
26          an election held for that purpose.

27                       (c) The board shall give notice of the election in the  
28          manner provided for a bond election under Section 1116.203.

29                       (d) The election order must provide for clerks as in county  
30          elections and must state:

- 31                               (1) the date of the election;  
32                               (2) the location of the polling places;  
33                               (3) the form of the ballot; and  
34                               (4) the presiding judge and alternate judge for each  
35          polling place.

36                       (e) The ballot for an election shall be printed to permit  
37          voting for or against the proposition: "The imposition of a tax not

1 to exceed 75 cents on the \$100 valuation on all property in the  
2 district subject to hospital district taxation."

3 (f) The board shall declare the results of the election.

4 (g) An election to increase the maximum tax rate may not be  
5 held under this section before the first anniversary of the date of  
6 any preceding election on the same proposition.

7 (h) Section 41.001(a), Election Code, does not apply to an  
8 election ordered under this section. (Acts 60th Leg., R.S., Ch.  
9 293, Sec. 7A (part).)

10 Source Law

11 Sec. 7A. The board of directors of the district  
12 may order an election to determine whether the maximum  
13 tax rate shall be increased to 75 cents on the \$100  
14 valuation of all property in the district subject to  
15 hospital district taxation. The board shall state in  
16 the order the date of the election, the place or places  
17 where the election will be held, the form of the  
18 ballot, and the presiding judge and alternate judge  
19 for each voting place. The board shall give notice of  
20 the election as provided in Section 4 of this Act and  
21 shall provide for clerks as in county elections. The  
22 . . . ballots may be cast for or against the following  
23 proposition: "The levy of a tax not to exceed 75 cents  
24 on the \$100 valuation on all property in the district  
25 subject to hospital district taxation." Section 9b,  
26 Texas Election Code, as amended (Article 2.01b,  
27 Vernon's Texas Election Code), does not apply to an  
28 election under this section. The board may increase  
29 the tax rate not to exceed that provided in the  
30 proposition if a majority of the qualified voters in  
31 the district voting at the election approve that  
32 proposition. The board of directors shall . . .  
33 declare the results. No election on this proposition  
34 may be held within 12 months of any preceding election  
35 on the same proposition.

36 Revisor's Note

37 (1) Section 7A, Chapter 293, Acts of the 60th  
38 Legislature, Regular Session, 1967, requires that a  
39 ballot must conform to Section 61 of the Texas Election  
40 Code. That section was codified in 1985 in relevant  
41 part as Subchapter C, Chapter 52, Election Code. The  
42 revised law omits the requirement as unnecessary  
43 because the Election Code applies by its own terms.  
44 The omitted law reads:

45 Sec. 7A. . . . [The] form of ballot  
46 shall be in conformity with Section 61,  
47 Texas Election Code, as amended (Article  
48 6.05, Vernon's Texas Election Code), so that

1 . . . .

2 (2) Section 7A, Chapter 293, Acts of the 60th  
3 Legislature, Regular Session, 1967, provides that  
4 "[t]he board of directors shall canvass the returns."  
5 Throughout this chapter, the revised law omits the  
6 requirement because it duplicates Section 67.002,  
7 Election Code, which requires the governing body of a  
8 political subdivision that orders an election to  
9 canvass the returns of the election. The omitted law  
10 reads:

11 Sec. 7A. . . . [The board of  
12 directors shall] canvass the returns and  
13 . . . .

14 (3) Section 7A, Chapter 293, Acts of the 60th  
15 Legislature, Regular Session, 1967, provides that the  
16 board shall give notice of the election "as provided in  
17 Section 4 of this Act." The revised law substitutes a  
18 reference to Section 1116.203 because the relevant  
19 provisions of Section 4 are codified in that section of  
20 this chapter.

21 (4) Section 7A, Chapter 293, Acts of the 60th  
22 Legislature, Regular Session, 1967, refers to "Section  
23 9b, Texas Election Code, as amended (Article 2.01b,  
24 Vernon's Texas Election Code)." In 1985, Section 9b was  
25 codified as Section 41.001(a), Election Code, and  
26 throughout this chapter the revised law is drafted  
27 accordingly.

28 Revised Law

29 Sec. 1116.254. TAX ASSESSOR AND COLLECTOR. The Wood County  
30 tax assessor-collector shall collect taxes for the district. (Acts  
31 60th Leg., R.S., Ch. 293, Sec. 8(d) (part).)

32 Source Law

33 (d) . . . The tax assessor and collector of  
34 that county shall collect the taxes for the  
35 district. . . .

1 Revisor's Note  
2 (End of Subchapter)

3 (1) Section 8(e), Chapter 293, Acts of the 60th  
4 Legislature, Regular Session, 1967, provides that the  
5 county tax assessor-collector may charge a fee for the  
6 assessment and collection of district taxes. The  
7 revised law omits that provision because it has been  
8 superseded and impliedly repealed. See Revisor's Note  
9 (2) to Section 1116.251. Section 6.27(b), Tax Code,  
10 enacted in 1979 and last amended in 2005, provides for  
11 the compensation of a county tax assessor-collector  
12 assessing and collecting taxes for another taxing  
13 unit. The omitted law reads:

14 (e) The assessor and collector of  
15 taxes is entitled to a fee as compensation  
16 for his services of not more than one  
17 percent of the total tax collected. The  
18 board shall fix the exact amount of  
19 compensation. The tax assessor and  
20 collector shall deduct this fee from the  
21 payments made to the district of the taxes  
22 collected and deposit that amount in the  
23 general fund of the county as a fee of  
24 office of the tax assessor and collector.

25 (2) Section 8(f), Chapter 293, Acts of the 60th  
26 Legislature, Regular Session, 1967, provides that the  
27 district may impose taxes for the entire year in which  
28 the district is established. The revised law omits  
29 that provision as executed. The omitted law reads:

30 (f) The board may levy this tax for  
31 the entire year in which the district is  
32 established to secure funds necessary to  
33 initiate the operation of the hospital  
34 district.

35 [Sections 1116.255-1116.300 reserved for expansion]

36 SUBCHAPTER G. EXPANSION OF DISTRICT TERRITORY TO INCLUDE MINEOLA  
37 INDEPENDENT SCHOOL DISTRICT

38 Revised Law

39 Sec. 1116.301. PETITION TO EXPAND DISTRICT TERRITORY. (a)  
40 Registered voters of a defined territory composed of all territory  
41 within the boundaries of the Mineola Independent School District  
42 may file a petition with the board secretary requesting inclusion

1 of the territory in the district.

2 (b) The petition must be signed by the lesser of 50  
3 registered voters of the territory or a majority of those voters.  
4 (Acts 60th Leg., R.S., Ch. 293, Sec. 7C(a).)

5 Source Law

6 Sec. 7C. (a) Registered voters of a defined  
7 territory composed of all territory within the  
8 boundaries of the Mineola Independent School District  
9 may file a petition with the secretary of the board of  
10 directors requesting the inclusion of the territory in  
11 the district. The petition must be signed by at least  
12 50 registered voters of the defined territory or a  
13 majority of those voters, whichever is less.

14 Revised Law

15 Sec. 1116.302. NOTICE OF HEARING. (a) The board shall set  
16 a time and place to hold a hearing on the petition.

17 (b) The hearing shall be held not earlier than the 31st day  
18 after the date the board issues the order. (Acts 60th Leg., R.S.,  
19 Ch. 293, Sec. 7C(b).)

20 Source Law

21 (b) The board shall set a time and place to hold  
22 a hearing on the petition to include the territory in  
23 the district. The board shall set a date for the  
24 hearing that is not earlier than the 31st day after the  
25 date the court issues the order.

26 Revisor's Note

27 Section 7C(b), Chapter 293, Acts of the 60th  
28 Legislature, Regular Session, 1967, provides that the  
29 hearing on annexation must be held not earlier than the  
30 31st day after the "court" issues the order. The  
31 revised law substitutes "board" for "court" because it  
32 is clear from the context that the board issues the  
33 order setting the date for the hearing on annexation of  
34 territory by the district.

35 Revised Law

36 Sec. 1116.303. ORDER OF ANNEXATION. If, after the hearing,  
37 the board determines that annexation of the territory into the  
38 district would be feasible and would benefit the district, the  
39 board may approve the annexation by a resolution entered in its  
40 minutes. (Acts 60th Leg., R.S., Ch. 293, Sec. 7C(c).)



1 (f) The elections shall be held after  
2 the 45th day and on or before the 60th day  
3 after the date elections are ordered. . . .

4 Revised Law

5 Sec. 1116.305. ASSUMPTION OF DEBT AND TAXES. If the  
6 district has outstanding debts or taxes, the voters in the  
7 elections to approve annexation must determine whether the annexed  
8 territory will assume its portion of the debts or taxes on  
9 annexation. (Acts 60th Leg., R.S., Ch. 293, Sec. 7C(d) (part).)

10 Source Law

11 (d) . . . If the district has outstanding debts  
12 or taxes, the voters in the election to approve the  
13 annexation must also determine if the annexed  
14 territory will assume its proportion of the debts or  
15 taxes if added to the district.

16 Revised Law

17 Sec. 1116.306. BALLOT. The ballot for the elections shall  
18 be printed to permit voting for or against the following, as  
19 applicable:

20 (1) "Adding the territory within the boundaries of the  
21 Mineola Independent School District to the Wood County Central  
22 Hospital District of Wood County."

23 (2) "The territory within the boundaries of the  
24 Mineola Independent School District assuming its proportionate  
25 share of the outstanding debts and taxes of the Wood County Central  
26 Hospital District of Wood County, if it is added to the district."  
27 (Acts 60th Leg., R.S., Ch. 293, Sec. 7C(e).)

28 Source Law

29 (e) The election ballots shall be printed to  
30 provide for voting for or against the following, as  
31 applicable:

32 (1) "Adding the territory within the  
33 boundaries of the Mineola Independent School District  
34 to the Wood County Central Hospital District of Wood  
35 County."; or

36 (2) "The territory within the boundaries  
37 of the Mineola Independent School District assuming  
38 its proportionate share of the outstanding debts and  
39 taxes of the Wood County Central Hospital District of  
40 Wood County, if it is added to the district."

41 Revised Law

42 Sec. 1116.307. COMPOSITION AND ELECTION OF BOARD FOLLOWING  
43 ANNEXATION; TERMS. (a) If annexation is approved, the board shall

1 appoint a resident of the Mineola Independent School District to  
2 serve as a temporary director until the date of the next regular  
3 election of directors.

4 (b) Notwithstanding any other provision of this chapter,  
5 beginning on the date the temporary director is appointed as  
6 required by Subsection (a) and ending on the date a majority of the  
7 directors elected in the next regular election have qualified for  
8 office:

9 (1) the board is composed of seven directors; and

10 (2) a concurrence of four directors is sufficient in  
11 any matter relating to district business.

12 (c) Notwithstanding any other provision of this chapter, on  
13 the date of the next regular election following the approval of  
14 annexation:

15 (1) five directors shall be elected from the area of  
16 the district that is composed of the jurisdiction of the Quitman  
17 Independent School District as those boundaries existed on May 25,  
18 1967;

19 (2) five directors shall be elected from the area of  
20 the district that is composed of the jurisdiction of the Mineola  
21 Independent School District as those boundaries existed on the date  
22 annexation was approved; and

23 (3) three directors shall be elected from the district  
24 at large.

25 (d) Notwithstanding any other provision of this chapter, on  
26 the date a majority of the directors elected to the board under  
27 Subsection (c) have qualified for office:

28 (1) the term of office of any director elected or  
29 appointed to the board before that election expires; and

30 (2) the directors elected to the board under  
31 Subsection (c) shall draw lots to determine:

32 (A) which director elected from the area of the  
33 district that is composed of the jurisdiction of the Quitman  
34 Independent School District, as those boundaries existed on May 25,

1 1967, serves a one-year term, which two directors elected from that  
2 area serve two-year terms, and which two directors elected from  
3 that area serve three-year terms;

4 (B) which director elected from the area of the  
5 district that is composed of the jurisdiction of the Mineola  
6 Independent School District, as those boundaries existed on the  
7 date annexation was approved, serves a one-year term, which two  
8 directors elected from that area serve two-year terms, and which  
9 two directors elected from that area serve three-year terms; and

10 (C) which director elected from the district at  
11 large serves a one-year term, which director elected from the  
12 district at large serves a two-year term, and which director  
13 elected from the district at large serves a three-year term.

14 (e) Notwithstanding any other provision of this chapter,  
15 beginning on the date a majority of the directors elected under  
16 Subsection (c) qualify for office:

17 (1) the board is composed of 13 directors; and

18 (2) a concurrence of seven directors is sufficient in  
19 any matter relating to district business.

20 (f) Successor directors shall be elected as provided by  
21 Subsections (c) and (d) so that:

22 (1) five directors are elected from the area of the  
23 district that is composed of the jurisdiction of the Quitman  
24 Independent School District as those boundaries existed on May 25,  
25 1967;

26 (2) five directors are elected from the area of the  
27 district that is composed of the jurisdiction of the Mineola  
28 Independent School District as those boundaries existed on the date  
29 annexation was approved; and

30 (3) three directors are elected from the district at  
31 large.

32 (g) Following each decennial federal census, the board  
33 shall evaluate the electoral areas described by Subsection (f) to  
34 ensure that the areas comply with the requirements of federal

1 election laws and shall adjust the jurisdiction of the areas in  
2 accordance with federal requirements. (Acts 60th Leg., R.S., Ch.  
3 293, Secs. 7C(g), (h) (part), (i), (j), (k) (part), (l), (m).)

4 Source Law

5 (g) Once annexation is approved, the board shall  
6 appoint a resident of the Mineola Independent School  
7 District to serve as a temporary director until the  
8 date of the next regular election of directors.

9 (h) Notwithstanding any other provision of this  
10 Act, beginning on the date the temporary director is  
11 appointed as required by Subsection (g) of this  
12 section and ending on the date a majority of the  
13 members elected in the next regular election have  
14 qualified for office:

15 (1) the board is composed of seven  
16 members;

17 . . .  
18 (3) a concurrence of four is sufficient in  
19 all matters pertaining to the district.

20 (i) Notwithstanding any other provision of this  
21 Act, on the date of the next regular election following  
22 the approval of annexation:

23 (1) five directors shall be elected from  
24 the area of the district that is composed of the  
25 jurisdiction of the Quitman Independent School  
26 District;

27 (2) five directors shall be elected from  
28 the area of the district that is composed of the  
29 jurisdiction of the Mineola Independent School  
30 District; and

31 (3) three directors shall be elected from  
32 the district at large.

33 (j) Notwithstanding any other provision of this  
34 Act, on the date a majority of the directors elected to  
35 the board under Subsection (i) have qualified for  
36 office:

37 (1) the term of office of any director  
38 elected or appointed to the board before that election  
39 expires; and

40 (2) the directors elected to the board  
41 under Subsection (i) of this section shall draw lots to  
42 determine:

43 (A) which director elected from the  
44 area of the district that is composed of the  
45 jurisdiction of the Quitman Independent School  
46 District serves a one-year term, which two directors  
47 elected from that area serve two-year terms, and which  
48 two directors elected from that area serve three-year  
49 terms;

50 (B) which director elected from the  
51 area of the district that is composed of the  
52 jurisdiction of the Mineola Independent School  
53 District serves a one-year term, which two directors  
54 elected from that area serve two-year terms, and which  
55 two directors elected from that area serve three-year  
56 terms; and

57 (C) which director elected from the  
58 district at large serves a one-year term, which  
59 director elected from the district at large serves a  
60 two-year term, and which director elected from the  
61 district at large serves a three-year term.

62 (k) Notwithstanding any other provision of this  
63 Act, beginning on the date a majority of the members  
64 elected under Subsection (i) qualify for office:



1 approval of annexation of the territory of the Mineola  
2 Independent School District. The revised law adds a  
3 reference to the Quitman Independent School District  
4 boundaries, "as those boundaries existed on May 25,  
5 1967," the effective date of the act that established  
6 the district's boundaries as coextensive with the  
7 Quitman Independent School District.

8 Under Chapter 13, Education Code, a school  
9 district's boundaries may be changed. General rules of  
10 statutory construction provide that the delineation of  
11 a political subdivision's boundary by reference to  
12 that of another political subdivision refers to the  
13 boundary as it existed at the time of the delineation.  
14 See Op. Tex. Att'y Gen. No. DM-186 (1992) (Hamilton  
15 County Hospital District boundaries do not change  
16 after commissioners precinct boundaries changed).  
17 Changing the hospital district boundaries based on  
18 changes in the school district boundaries would cause  
19 some territory to be included in the district and be  
20 subject to an ad valorem tax for which an election was  
21 not held under Section 9, Article IX, Texas  
22 Constitution, and cause some territory subject to the  
23 tax to be removed from the district, possibly  
24 resulting in an unconstitutional impairment of the  
25 contract under which district bonds issued were  
26 supported by an ad valorem tax imposed on district  
27 property.

28 Had the legislature intended this result, it  
29 could have provided in the statute a method by which  
30 the changes in the hospital district boundaries could  
31 have been made to avoid these constitutional issues.  
32 The revised law is drafted accordingly.

33 (3) Section 7C, Chapter 293, Acts of the 60th  
34 Legislature, Regular Session, 1967, provides for a

1 change in the membership of the board and specifies  
2 that five directors are to be elected "from the area of  
3 the district that is composed of the jurisdiction of  
4 the Mineola Independent School District" following the  
5 approval of annexation of the territory of that school  
6 district. For the reasons stated in Revisor's Note (2)  
7 to this section, the revised law refers to the Mineola  
8 Independent School District boundaries as those  
9 boundaries existed on the day annexation was approved.

10 [Sections 1116.308-1116.350 reserved for expansion]

11 SUBCHAPTER H. EXPANSION OF DISTRICT TERRITORY TO INCLUDE  
12 ALBA-GOLDEN, YANTIS, AND HAWKINS INDEPENDENT SCHOOL DISTRICTS

13 Revised Law

14 Sec. 1116.351. ELECTION ON EXPANSION OF DISTRICT; ORDER;  
15 NOTICE. (a) The board may order one or more elections in the area  
16 of one or more of the following independent school districts, as  
17 they were constituted on May 15, 1979, on the question of whether  
18 that area shall be included in the district:

19 (1) Alba-Golden;

20 (2) Yantis; and

21 (3) Hawkins.

22 (b) The area of a school district in which an election is  
23 held is included in the district if a majority of registered voters  
24 in that school district voting at the election approve annexation.

25 (c) The board shall give notice of the election in the  
26 district and in the area of each school district sought to be  
27 included in the district in the manner provided for a bond election  
28 under Section 1116.203.

29 (d) The election order must provide for clerks as in county  
30 elections and must state:

31 (1) the date of the election;

32 (2) the location of the polling places;

33 (3) the form of the ballot; and

34 (4) the presiding judge and alternate judge for each

1 polling place.

2 (e) The board shall declare the results of the election.

3 (f) An election to expand district territory to include the  
4 area of a school district may not be held under this section before  
5 the first anniversary of the date of an election on the same  
6 proposition.

7 (g) Section 41.001(a), Election Code, does not apply to an  
8 election ordered under this section. (Acts 60th Leg., R.S., Ch.  
9 293, Secs. 7B(a), (b) (part), (c) (part).)

10 Source Law

11 Sec. 7B. (a) The board of directors of the  
12 district may order one or more elections in the area of  
13 one or more of the following independent school  
14 districts, as they are constituted on the effective  
15 date of this Act, to determine whether that area shall  
16 be included in the hospital district:

- 17 (1) Alba-Golden;
- 18 (2) Yantis; and
- 19 (3) Hawkins.

20 (b) The board shall state in the order the date  
21 of the election, the place or places where the election  
22 will be held, the form of the ballot, and the presiding  
23 judge and alternate judge for each voting place. The  
24 board shall give notice in the hospital district and  
25 school district areas sought to be included in the  
26 district as provided in Section 4 of this Act and shall  
27 provide for clerks as in county elections. . . .

28 (c) Section 9b, Texas Election Code, as amended  
29 (Article 2.01b, Vernon's Texas Election Code), does  
30 not apply to an election under this section. The area  
31 of a school district in which an election is held under  
32 this section is included in the hospital district if a  
33 majority of the qualified voters in that school  
34 district voting at the election approve the  
35 proposition. The board shall . . . declare the  
36 results. No election on this proposition in the area of  
37 an independent school district may be held within 12  
38 months of any preceding election on the same  
39 proposition in that school district.

40 Revisor's Note

41 (1) Section 7B, Chapter 293, Acts of the 60th  
42 Legislature, Regular Session, 1967, as amended by  
43 Chapter 172, Acts of the 66th Legislature, Regular  
44 Session, 1979, refers to certain boundaries "as they  
45 are constituted on the effective date of this Act."  
46 Chapter 172, Acts of the 66th Legislature, Regular  
47 Session, 1979, took effect on May 15, 1979. The  
48 revised law is drafted accordingly.

1           (2) Section 7B(b), Chapter 293, Acts of the 60th  
2           Legislature, Regular Session, 1967, provides that the  
3           board shall give notice of the election "as provided in  
4           Section 4 of this Act." The revised law substitutes a  
5           reference to Section 1116.203 because the relevant  
6           provisions of Section 4 are codified in that section of  
7           this chapter.

8           (3) Section 7B(c), Chapter 293, Acts of the 60th  
9           Legislature, Regular Session, 1967, provides that  
10          "[t]he board shall canvass the returns." The revised  
11          law omits this requirement as superseded by Section  
12          67.002, Election Code, for the reason stated in  
13          Revisor's Note (1) to Section 1116.203. The omitted  
14          law reads:

15                   (c) . . . [The board shall] canvass  
16                   the returns and . . . .

17                                   Revised Law

18          Sec. 1116.352. BALLOT. The ballot for an election shall be  
19          printed to permit voting for or against the proposition: "The  
20          inclusion of the area of the (name of district) Independent School  
21          District in the Wood County Central Hospital District; providing  
22          for the imposition of annual taxes for hospital purposes and to pay  
23          that area's share of the hospital district's debt at a rate not to  
24          exceed (maximum tax rate in the district) cents on the \$100  
25          valuation of all taxable property within the district." (Acts 60th  
26          Leg., R.S., Ch. 293, Sec. 7B(b) (part).)

27                                   Source Law

28                   (b) . . . The . . . ballots may be cast for or  
29                   against the following proposition: "The inclusion of  
30                   the area of the (name of district) Independent School  
31                   District in the Wood County Central Hospital District;  
32                   providing for the levy of annual taxes for hospital  
33                   purposes and to pay that area's share of the hospital  
34                   district's debt at a rate not to exceed (maximum tax  
35                   rate in the district) cents on the \$100 valuation of  
36                   all taxable property within the district."

37                                   Revisor's Note

38          Section 7B(b), Chapter 293, Acts of the 60th  
39          Legislature, Regular Session, 1967, requires a ballot

1 to conform to Section 61 of the Texas Election Code.  
2 That section was codified in 1985 in relevant part as  
3 Subchapter C, Chapter 52, Election Code. The revised  
4 law omits the requirement for the reason stated in  
5 Revisor's Note (1) to Section 1116.253. The omitted  
6 law reads:

7 (b) . . . [The] form of ballot shall  
8 be in conformity with Section 61, Texas  
9 Election Code, as amended (Article 6.05,  
10 Vernon's Texas Election Code), so that  
11 . . . .

12 Revised Law

13 Sec. 1116.353. COMPOSITION OF BOARD AFTER ANNEXATION OF ONE  
14 SCHOOL DISTRICT; TERMS; VOTING REQUIREMENT. (a) If a majority of  
15 the voters in the area of only one of the school districts approve  
16 annexation, the board shall appoint a resident of that area to serve  
17 as a director until the next regular election of directors.

18 (b) Successors to a director appointed under Subsection (a)  
19 are elected from the district at large and serve two-year terms.

20 (c) During any time the board is composed of seven  
21 directors, a concurrence of four is sufficient in any matter  
22 relating to district business. (Acts 60th Leg., R.S., Ch. 293, Sec.  
23 7B(d) (part).)

24 Source Law

25 (d) If the proposition is approved in the area  
26 of only one of the school districts, the board shall  
27 appoint one director who is a resident of that area to  
28 serve until the next regular election of directors.  
29 Successors to that position on the board shall be  
30 elected from the district at large for a two-year term.  
31 During any time that the board of directors is composed  
32 of seven members, . . . a concurrence of four is  
33 sufficient in all matters pertaining to the district.

34 Revisor's Note

35 Section 7B(d), Chapter 293, Acts of the 60th  
36 Legislature, Regular Session, 1967, provides that four  
37 directors constitute a quorum. The revised law omits  
38 that provision for the reason stated in Revisor's Note  
39 (1) to Section 1116.307. The omitted law reads:

40 (d) . . . any four members of the  
41 board constitute a quorum, and . . . .

1 Revised Law

2 Sec. 1116.354. COMPOSITION OF BOARD AFTER ANNEXATION OF  
3 MORE THAN ONE SCHOOL DISTRICT; TERMS; VOTING REQUIREMENT. (a) If a  
4 majority of the voters in the area of more than one school district  
5 approve annexation, the board may appoint two directors who are  
6 residents of the annexed area to serve in addition to the six  
7 sitting directors, for a total of eight directors.

8 (b) If the board appoints two directors under Subsection  
9 (a), the board shall appoint:

10 (1) one director to serve until the next regular  
11 election of directors following appointment; and

12 (2) one director to serve until the election of  
13 directors following the next regular election of directors.

14 (c) During any time the board is composed of eight  
15 directors, a concurrence of five is sufficient in any matter  
16 relating to district business. (Acts 60th Leg., R.S., Ch. 293, Sec.  
17 7B(e) (part).)

18 Source Law

19 (e) If the area of more than one of the school  
20 districts approves the proposition at one or more  
21 elections, the board may appoint two directors who are  
22 residents of the added area in addition to the original  
23 six positions on the board for a total of eight  
24 directors. If two new directors are appointed, the  
25 board shall appoint one director to serve until the  
26 next regular election of directors following the  
27 appointment. The board shall appoint the second new  
28 director to serve until the election of directors  
29 following the next regular election of directors.  
30 During any time that the board of directors is composed  
31 of eight members, . . . a concurrence of five is  
32 sufficient in all matters pertaining to the district.

33 Revisor's Note

34 Section 7B(e), Chapter 293, Acts of the 60th  
35 Legislature, Regular Session, 1967, provides that five  
36 directors constitute a quorum. The revised law omits  
37 that provision for the reason stated in Revisor's Note  
38 (1) to Section 1116.307. The omitted law reads:

39 (e) . . . any five members constitute  
40 a quorum, and . . .

1 Revisor's Note  
2 (End of Chapter)

3 (1) Section 10(f), Chapter 293, Acts of the 60th  
4 Legislature, Regular Session, 1967, provides for the  
5 assumption of debt by the district on creation. The  
6 revised law omits the provisions as executed. The  
7 omitted law reads:

8 (f) The hospital district shall  
9 assume any indebtedness of the municipally  
10 owned hospital located in Quitman, Texas,  
11 up to an amount of \$50,000.

12 (2) Section 19, Chapter 293, Acts of the 60th  
13 Legislature, Regular Session, 1967, provides that  
14 public notice of enactment of the statute was provided  
15 in a manner that satisfies the requirements of the  
16 Texas Constitution. The revised law omits that  
17 section as executed. The omitted law reads:

18 Sec. 19. The Legislature has found  
19 that proper notice has been given in the  
20 district affected by this Act in accordance  
21 with the requirement of Section 9, Article  
22 IX, Constitution of the State of Texas.

23 CHAPTER 1117. YOAKUM HOSPITAL DISTRICT

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34		[Sections 1117.154-1117.200 reserved for expansion]	



1 convenience and to eliminate frequent, unnecessary  
2 repetition of the substance of the definitions.

3 Revised Law

4 Sec. 1117.002. AUTHORITY FOR OPERATION. The Yoakum  
5 Hospital District operates in accordance with Section 9, Article  
6 IX, Texas Constitution, and has the powers and responsibilities  
7 provided by that section and this chapter. (Acts 59th Leg., R.S.,  
8 Ch. 317, Sec. 1 (part).)

9 Source Law

10 Sec. 1. Pursuant to the provisions of Section 9  
11 of Article IX of the Constitution of the State of  
12 Texas, this Act shall be operative so as to authorize  
13 the creation, establishment, maintenance and  
14 operation of a Hospital District within the State of  
15 Texas, to be known as . . . .

16 The District shall have the powers and  
17 responsibilities provided by the aforesaid  
18 Constitutional provision and as hereinafter  
19 prescribed.

20 Revisor's Note

21 Section 1, Chapter 317, Acts of the 59th  
22 Legislature, Regular Session, 1965, authorizes the  
23 "creation, establishment, maintenance and operation"  
24 of the Yoakum Hospital District. The revised law omits  
25 "creation" and "establishment" as executed. The  
26 revised law omits "maintenance" because, in this  
27 context, the meaning of that term is included in the  
28 meaning of "operation."

29 Revised Law

30 Sec. 1117.003. ESSENTIAL PUBLIC FUNCTION. The district  
31 performs an essential public function in carrying out the purposes  
32 of this chapter. (Acts 59th Leg., R.S., Ch. 317, Sec. 8 (part).)

33 Source Law

34 Sec. 8. In carrying out the purposes of this Act  
35 the Hospital District will be performing an essential  
36 public function and . . . .

37 Revised Law

38 Sec. 1117.004. DISTRICT TERRITORY. Unless modified under  
39 Subchapter D, the district is composed of the territory described  
40 by Section 1, Chapter 317, Acts of the 59th Legislature, Regular

1 Session, 1965. (New.)

2 Revisor's Note

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

9 Revised Law

10 Sec. 1117.005. CORRECTION OF INVALID PROCEDURES. If a  
11 court holds that any procedure under this chapter violates the  
12 constitution of this state or of the United States, the district by  
13 resolution may provide an alternative procedure that conforms with  
14 the constitution. (Acts 59th Leg., R.S., Ch. 317, Sec. 20 (part).)

15 Source Law

16 Sec. 20. . . . [Federal or State  
17 Constitution] . . . . Where any procedure hereunder  
18 may be held by any court to be violative of either of  
19 such Constitution, the District shall have the power  
20 by resolution to provide an alternative procedure  
21 conformable with such Constitutions. . . .

22 Revisor's Note

23 Section 20, Chapter 317, Acts of the 59th  
24 Legislature, Regular Session, 1965, provides that the  
25 act may not be construed to violate the federal or  
26 state constitution and requires that action under the  
27 act comply with those constitutions. The revised law  
28 omits the reference to the federal constitution  
29 because, under the Supremacy Clause of the United  
30 States Constitution (Clause 2, Article VI), federal  
31 law always takes precedence over a state statute. The  
32 revised law omits the reference to the state  
33 constitution because the state legislature cannot  
34 modify constitutional provisions by statute. The  
35 omitted law reads:

36 Sec. 20. Nothing in this Act shall be  
37 construed to violate any provision of the  
38 Federal or State Constitution, and all acts

1 done under this Act shall be in such manner  
2 as will conform thereto, whether expressly  
3 provided or not. . . .

4 Revised Law

5 Sec. 1117.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
6 OBLIGATION. The support and maintenance of the district may not  
7 become a charge against or obligation of this state. (Acts 59th  
8 Leg., R.S., Ch. 317, Sec. 16 (part).)

9 Source Law

10 Sec. 16. The support and maintenance of the  
11 Yoakum Hospital District shall never become a charge  
12 against or obligation of the State of Texas, . . . .

13 Revised Law

14 Sec. 1117.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
15 The legislature may not make a direct appropriation for the  
16 construction, maintenance, or improvement of a district facility.  
17 (Acts 59th Leg., R.S., Ch. 317, Sec. 16 (part).)

18 Source Law

19 Sec. 16. . . . nor shall any direct  
20 appropriation be made by the Legislature for the  
21 construction, maintenance or improvement of any of the  
22 facilities of such District.

23 Revisor's Note  
24 (End of Subchapter)

25 Section 3, Chapter 317, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides  
27 procedures for holding an election on the creation of  
28 the district, the imposition of an ad valorem tax, and  
29 the assumption of debt. Because the election creating  
30 the district has been held, the revised law omits those  
31 provisions as executed. The omitted law reads:

32 Sec. 3. The District shall not be  
33 created nor shall any tax therein be  
34 authorized unless and until such creation  
35 and such tax are approved by a majority of  
36 the qualified property tax paying electors  
37 of the District voting at an election called  
38 for such purpose. Such election shall be  
39 initiated by the presentation of a petition  
40 therefor signed by at least two hundred  
41 (200) qualified property taxpaying electors  
42 of the District filed with the person who is  
43 then the Chairman of the Board of  
44 Commissioners of the City of Yoakum, Texas,  
45 and accompanied by Two Hundred Dollars  
46 (\$200) in cash, which shall be used in

1 defraying the costs of said election and any  
2 portion thereof not so used shall be  
3 refunded to petitioners. Within five (5)  
4 days after the filing thereof and receipt of  
5 such deposit, such person shall appoint two  
6 other persons, who are qualified electors  
7 of the District, as the Organizational  
8 Officers, who shall immediately convene to  
9 examine such petition and finding the same  
10 to bear the signature of at least two  
11 hundred (200) qualified property tax paying  
12 electors of the District whose names appear  
13 on the most recent respective County Tax  
14 Rolls, shall, within ten (10) days after the  
15 filing of such petition and receipt of such  
16 deposit, order an election to be held within  
17 the District to approve the creation of the  
18 proposed District, authority to levy a tax  
19 not to exceed seventy-five cents (75¢) on  
20 the One Hundred Dollar valuation based upon  
21 the county valuations of the Counties of  
22 DeWitt, Lavaca and Gonzales, Texas, as same  
23 pertain to the properties within the  
24 boundaries of the District lying within  
25 each such respective county, and the  
26 assumption by such District of all  
27 outstanding bonds and indebtedness  
28 theretofore issued and incurred by any city  
29 or town in said District for hospital  
30 purposes. Such order shall specify the time  
31 and places of holding same, to be held not  
32 less than twenty (20) nor more than  
33 thirty-five (35) days from the date of  
34 ordering such election, shall specify the  
35 form of ballot and the presiding judge for  
36 each voting place, provided that one box may  
37 be established for all electors of the  
38 District in the most populous city or town  
39 in the District. Notice of election shall  
40 be given by publishing a substantial copy of  
41 the election order in a newspaper of general  
42 circulation in said District and in each of  
43 the Counties of DeWitt, Lavaca and  
44 Gonzales, Texas, once a week for two (2)  
45 consecutive weeks, the first publication to  
46 appear at least fourteen (14) days prior to  
47 the date established for the election. The  
48 failure of any such election shall not  
49 operate to prohibit the calling and holding  
50 of subsequent elections for the same  
51 purpose, provided that another petition  
52 shall be filed and deposit made, as in the  
53 first instance, for each subsequent  
54 election.

55 At said election there shall be  
56 submitted to the legally qualified property  
57 taxpaying electors of the District who have  
58 duly rendered their property for taxation  
59 upon the tax rolls of the respective county  
60 in which they reside, the proposition of  
61 whether or not Yoakum Hospital District  
62 shall be created with authority to levy  
63 annual taxes at a rate not to exceed  
64 seventy-five cents (75¢) on the One Hundred  
65 Dollar valuation of all taxable property  
66 within such District based upon the county  
67 valuations of the Counties of DeWitt,  
68 Lavaca and Gonzales, Texas, as same pertain  
69 to the properties within the boundaries of

1 the District lying within each such  
2 respective county and the assumption by  
3 such District of all outstanding bonds and  
4 indebtedness theretofore issued and  
5 incurred by any city or town in said  
6 District for hospital purposes for the  
7 purpose of meeting the requirements of the  
8 District bonds, such indebtedness assumed  
9 by it and its maintenance and operating  
10 expenses, and a majority of the legally  
11 qualified property taxpaying electors of  
12 the District, who have duly rendered their  
13 property for taxation upon the tax rolls of  
14 the respective county in which they reside,  
15 as required by law, voting in said election  
16 in favor of the proposition shall be  
17 sufficient for its adoption.

18 The ballots shall have printed thereon  
19 the following:

20 "FOR the creation of Yoakum Hospital  
21 District; providing for the levy of a tax  
22 not to exceed seventy-five cents (75¢) on  
23 the One Hundred Dollar valuation of all  
24 taxable property within such District based  
25 upon the county valuations of the Counties  
26 of DeWitt, Lavaca and Gonzales, Texas, as  
27 same pertain to the properties within the  
28 boundaries of the District lying within  
29 each such respective county; and providing  
30 for the assumption by such District of all  
31 outstanding bonds and indebtedness  
32 heretofore issued and incurred by any city  
33 or town in said District for hospital  
34 purposes.

35 "AGAINST the creation of Yoakum  
36 Hospital District; providing for the levy  
37 of a tax not to exceed seventy-five cents  
38 (75¢) on the One Hundred Dollar valuation of  
39 all taxable property within such District  
40 based upon the county valuations of the  
41 Counties of DeWitt, Lavaca and Gonzales,  
42 Texas, as same pertain to the properties  
43 within the boundaries of the District lying  
44 within each such respective county; and  
45 providing for the assumption by such  
46 District of all outstanding bonds and  
47 indebtedness heretofore issued and incurred  
48 by any city or town in said District for  
49 hospital purposes."

50 Each election judge shall immediately  
51 after closing the polls and counting the  
52 ballots deposit the sealed stub box with the  
53 District Clerk of DeWitt County, Texas, and  
54 a copy of the election returns with the  
55 County Clerk of DeWitt County, Texas, and a  
56 copy of the election returns and the locked  
57 ballot box, all the keys to which shall be  
58 delivered to any constable having  
59 jurisdiction within the City of Yoakum,  
60 Texas, to the chairman of the  
61 Organizational Officers, and such  
62 Organizational Officers shall within five  
63 (5) days after such election canvass the  
64 returns and certify the result. Such  
65 returns, stubs and ballots shall be  
66 preserved safely until sixty (60) days  
67 after such election or final legal action  
68 concerning the same after which the same  
69 shall be burned by such constable or his

1 successor.

2 [Sections 1117.008-1117.050 reserved for expansion]

3 SUBCHAPTER B. DISTRICT ADMINISTRATION

4 Revised Law

5 Sec. 1117.051. BOARD ELECTION; TERM. (a) The district is  
6 governed by a board of seven elected directors.

7 (b) Directors serve staggered three-year terms, with the  
8 terms of two or three directors expiring each year, as appropriate.

9 (Acts 59th Leg., R.S., Ch. 317, Sec. 4 (part).)

10 Source Law

11 Sec. 4. . . . seven (7) Directors shall be  
12 elected. . . . The three (3) Directors receiving the  
13 highest vote at such first election after the creation  
14 of the District shall serve for a term of three (3)  
15 years; the two (2) Directors receiving the next  
16 highest vote shall serve for a term of two (2) years;  
17 the two (2) Directors receiving the next highest vote  
18 shall serve for a term of one (1) year. Thereafter all  
19 Directors shall serve for a term of three years and  
20 until their successor has been duly elected or  
21 appointed and qualified. . . .

22 Revisor's Note

23 (1) Section 4, Chapter 317, Acts of the 59th  
24 Legislature, Regular Session, 1965, prescribes the  
25 procedure for appointing the district's initial board.  
26 The revised law omits the provision as executed. The  
27 omitted law reads:

28 Sec. 4. Within ten (10) days after  
29 the certification of a majority of such  
30 electors in favor of the proposition, the  
31 Organizational Officers shall convene and  
32 appoint seven (7) qualified persons to  
33 serve as Directors of the District until the  
34 first Saturday in April following the  
35 creation of the District at which time  
36 . . . .

37 (2) Section 4, Chapter 317, Acts of the 59th  
38 Legislature, Regular Session, 1965, prescribes the  
39 terms of the initial directors and the terms of the  
40 directors elected at the expiration of the terms of the  
41 initial directors. In doing so, the provision  
42 establishes staggered three-year terms for the  
43 directors. The revised law omits the specific  
44 provision relating to the terms of those directors as





1 director shall execute a good and sufficient bond for \$1,000 that  
2 is:

- 3 (1) payable to the district; and
- 4 (2) conditioned on the faithful performance of the  
5 director's duties.

6 (b) Each director's bond and constitutional oath of office  
7 shall be deposited with the district's depository bank for  
8 safekeeping. (Acts 59th Leg., R.S., Ch. 317, Sec. 4 (part).)

9 Source Law

10 Sec. 4. . . . [Each member of the Board of  
11 Directors] . . . shall execute a good and sufficient  
12 bond for One Thousand Dollars (\$1,000) payable to the  
13 District conditioned upon the faithful performance of  
14 his duties, and such oaths and bonds shall be deposited  
15 with the depository bank of the District for  
16 safekeeping. . . .

17 Revisor's Note

18 Section 4, Chapter 317, Acts of the 59th  
19 Legislature, Regular Session, 1965, requires each  
20 director to take the constitutional oath of office.  
21 The revised law omits that provision because Section  
22 1, Article XVI, Texas Constitution, requires an  
23 officer of this state to take the oath (or affirmation)  
24 before assuming office. The omitted law reads:

25 Sec. 4. . . . Each member of the  
26 Board of Directors shall qualify by  
27 executing the constitutional oath of office  
28 and . . . .

29 Revised Law

30 Sec. 1117.055. BOARD VACANCY. If a vacancy occurs in the  
31 office of director, the remaining directors shall appoint a  
32 director for the unexpired term. (Acts 59th Leg., R.S., Ch. 317,  
33 Sec. 4 (part).)

34 Source Law

35 Sec. 4. . . . All vacancies in the office of  
36 director shall be filled for the unexpired term by  
37 appointment of the remainder of the Board of  
38 Directors. . . .

39 Revised Law

40 Sec. 1117.056. OFFICERS. The board shall annually elect

1 from among its members a president, a vice president, and a  
2 secretary. (Acts 59th Leg., R.S., Ch. 317, Sec. 4 (part).)

3 Source Law

4 Sec. 4. . . . The Board of Directors shall  
5 organize annually by electing one (1) of their number  
6 as president, one (1) as vice president and one (1) as  
7 secretary. . . .

8 Revised Law

9 Sec. 1117.057. COMPENSATION; EXPENSES. A director serves  
10 without compensation but may be reimbursed for actual expenses  
11 incurred in the performance of official duties on approval of the  
12 expenses by the entire board. (Acts 59th Leg., R.S., Ch. 317, Sec.  
13 5 (part).)

14 Source Law

15 Sec. 5. . . . Such Directors shall serve  
16 without compensation but may be reimbursed for actual  
17 expenses incurred in the performance of their official  
18 duties upon the approval of such expenses by the entire  
19 Board of Directors. . . .

20 Revised Law

21 Sec. 1117.058. VOTING REQUIREMENT. A concurrence of four  
22 directors is sufficient in any matter relating to district  
23 business. (Acts 59th Leg., R.S., Ch. 317, Sec. 4 (part).)

24 Source Law

25 Sec. 4. . . . a concurrence of four (4) shall be  
26 sufficient in all matters pertaining to the business  
27 of the District. . . .

28 Revisor's Note

29 Section 4, Chapter 317, Acts of the 59th  
30 Legislature, Regular Session, 1965, provides that four  
31 directors constitute a quorum. The revised law omits  
32 that provision because it duplicates Section 311.013,  
33 Government Code (Code Construction Act), which  
34 provides that a quorum of a public body is a majority  
35 of the number of members fixed by statute. The omitted  
36 law reads:

37 Sec. 4. . . . Any four (4) members of  
38 the Board of Directors shall constitute a  
39 quorum and . . . .

1 Revised Law

2 Sec. 1117.059. DISTRICT ADMINISTRATOR. (a) The board may  
3 appoint a qualified person as district administrator.

4 (b) The district administrator serves at the will of the  
5 board and receives the compensation determined by the board.

6 (c) The tenure of the district administrator's contract may  
7 not exceed two years.

8 (d) On assuming the duties of district administrator, the  
9 administrator shall execute a bond payable to the district in an  
10 amount set by the board of not less than \$10,000 that:

11 (1) is conditioned on the administrator performing the  
12 administrator's duties; and

13 (2) contains other conditions the board may require.  
14 (Acts 59th Leg., R.S., Ch. 317, Sec. 5 (part).)

15 Source Law

16 Sec. 5. . . . The Board of Directors may  
17 appoint a qualified person to be known as the  
18 administrator or manager of the District who . . . .  
19 Such administrator or manager shall serve at the will  
20 of the Board and shall receive such compensation as may  
21 be fixed by the Board, but the tenure of his contract  
22 shall never exceed two years, and upon assuming his  
23 duties he shall execute a bond payable to the District  
24 in an amount to be set by the Board, in no event less  
25 than Ten Thousand Dollars (\$10,000), conditioned that  
26 he shall perform the duties required of him and  
27 containing such other conditions as the Board may  
28 require. . . .

29 Revisor's Note

30 Section 5, Chapter 317, Acts of the 59th  
31 Legislature, Regular Session, 1965, provides that the  
32 board may appoint a person as the "administrator or  
33 manager" of the district. Throughout this chapter,  
34 the revised law omits "manager" because, in context,  
35 "manager" is included in the meaning of  
36 "administrator."

37 Revised Law

38 Sec. 1117.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
39 (a) Subject to the direct control and responsibility of the board  
40 and any limitations prescribed by the board, the district

1 administrator shall:

2 (1) supervise the work and activities of the district;  
3 and

4 (2) direct the affairs of the district.

5 (b) The board must confirm the appointment of a person  
6 employed by the district administrator. (Acts 59th Leg., R.S., Ch.  
7 317, Sec. 5 (part).)

8 Source Law

9 Sec. 5. . . . the administrator . . . shall  
10 supervise all the work and activities of the District  
11 and shall have general direction of the affairs of the  
12 District, subject to the direct control and  
13 responsibility of the Board and such limitations as  
14 may be prescribed by the Board. Confirmation by the  
15 Board of Directors shall be required for the  
16 appointment of all personnel employed by such  
17 administrator or manager. . . .

18 Revised Law

19 Sec. 1117.061. EMPLOYEES. (a) The board may employ  
20 employees, including doctors, technicians, nurses, bookkeepers,  
21 financial advisors, architects, lawyers, and clerks, as considered  
22 necessary or convenient for the efficient operation of the district  
23 or a district hospital or hospital system, or to discharge the  
24 district's duties, obligations, and responsibility in the  
25 provision of medical and hospital care.

26 (b) An employee serves at the will of the board and receives  
27 the compensation determined by the board. (Acts 59th Leg., R.S.,  
28 Ch. 317, Sec. 5 (part).)

29 Source Law

30 Sec. 5. . . . The Board of Directors shall have  
31 the authority to employ employees of every kind and  
32 character, including, but not limited to, doctors,  
33 technicians, nurses, bookkeepers, financial advisors,  
34 architects, lawyers, clerks, as may be deemed  
35 necessary or convenient for the efficient operation of  
36 the District, its hospital, hospitals or hospital  
37 system, or to discharge the duties, obligations and  
38 responsibility of the District in the provision of  
39 medical and hospital care, who shall serve at the will  
40 of the Board and shall receive such compensation as may  
41 be fixed by the Board. . . .

42 Revisor's Note

43 Section 5, Chapter 317, Acts of the 59th  
44 Legislature, Regular Session, 1965, refers to

1 "including, but not limited to." Throughout this  
2 chapter, the revised law omits "but not limited to"  
3 because Section 311.005(13), Government Code (Code  
4 Construction Act), provides that "includes" and  
5 "including" are terms of enlargement and not of  
6 limitation and do not create a presumption that  
7 components not expressed are excluded.

#### 8 Revised Law

9 Sec. 1117.062. MEDICAL DIRECTOR. (a) The board shall  
10 appoint a medical director.

11 (b) To be qualified for appointment as the medical director,  
12 a person must:

13 (1) be a doctor of medicine; and

14 (2) actively practice medicine in the district.

15 (c) The medical director is in charge of all matters of a  
16 medical nature in the district, subject to any rules adopted by the  
17 board.

18 (d) The medical director is entitled to:

19 (1) attend all meetings of the board; and

20 (2) take part in all board discussions.

21 (e) The medical director may not vote at a meeting of the  
22 board. (Acts 59th Leg., R.S., Ch. 317, Sec. 5 (part).)

#### 23 Source Law

24 Sec. 5. . . . The Board of Directors shall  
25 appoint a Medical Director, who is a Doctor of  
26 Medicine, actively practicing in the District, who  
27 shall be in charge of all matters of a medical nature  
28 in said District subject to such rules and regulations  
29 as the Board of Directors may adopt, and shall be  
30 entitled to attend all meetings of said Board and take  
31 part in all discussions of said Board, but he shall  
32 have no vote.

#### 33 Revisor's Note

34 Section 5, Chapter 317, Acts of the 59th  
35 Legislature, Regular Session, 1965, provides that the  
36 medical director is subject to "rules and regulations"  
37 adopted by the board. Throughout this chapter, the  
38 revised law omits "regulations" because under Section

1 311.005(5), Government Code (Code Construction Act), a  
2 rule is defined to include a regulation.

3 Revised Law

4 Sec. 1117.063. RETIREMENT PROGRAM; INSURANCE OR MEDICAL  
5 PROTECTION PROGRAM. The board may enter into any contract as  
6 required to establish or continue a retirement program or insurance  
7 or medical protection program for the benefit of the district's  
8 employees. (Acts 59th Leg., R.S., Ch. 317, Sec. 5 (part).)

9 Source Law

10 Sec. 5. . . . The Board of Directors is also  
11 authorized to enter into such contracts as may be  
12 required to establish or continue a retirement  
13 program, insurance or medical protection program, for  
14 the benefit of the District's employees. . . .

15 Revisor's Note

16 (End of Subchapter)

17 (1) Section 4, Chapter 317, Acts of the 59th  
18 Legislature, Regular Session, 1965, provides that the  
19 directors shall order all elections and canvass the  
20 returns. The revised law omits those provisions  
21 because they duplicate in substance provisions of the  
22 Election Code. Section 3.004, Election Code,  
23 applicable to the district under Sections 1.002 and  
24 3.001, Election Code, requires the governing body of a  
25 political subdivision that has elective offices to  
26 order the general election for those officers and any  
27 other election relating to the affairs of the  
28 political subdivision. Section 67.002, Election Code,  
29 applicable to district elections under Section 67.001,  
30 Election Code, requires the governing body of a  
31 political subdivision that orders an election to  
32 canvass the returns. The omitted law reads:

33 Sec. 4. . . . The Directors shall  
34 order all elections, . . . canvass the  
35 returns, . . . .

36 (2) Section 4, Chapter 317, Acts of the 59th  
37 Legislature, Regular Session, 1965, further provides  
38 that the directors shall appoint proper election

1 officials, furnish all necessary election supplies,  
2 certify the result, provide for absentee balloting,  
3 and maintain and preserve the purity of the elections  
4 "in accordance with the Texas Election Code." The  
5 revised law omits these provisions because Section  
6 1.002, Election Code, provides that the Election Code  
7 applies to all elections held in this state. The  
8 omitted law reads:

9           Sec. 4. . . . [The Directors shall]  
10           . . . appoint proper election officials,  
11           furnish all necessary election supplies,  
12           . . . certify the result, provide for  
13           absentee balloting, maintain and preserve  
14           the purity of the elections, all in  
15           accordance with the Texas Election Code as  
16           applicable and disposition of the returns,  
17           stub box, ballot box, as hereinbefore set  
18           forth in Section 3 of this Act as applicable  
19           to the creation election. . . .

20           (3) Section 4, Chapter 317, Acts of the 59th  
21           Legislature, Regular Session, 1965, states that a  
22           person must file a ballot application with the board  
23           secretary to be a candidate for director and  
24           prescribes a deadline for filing the application. The  
25           revised law omits the requirement to file the  
26           application with the board secretary because it  
27           duplicates Sections 144.003 and 144.004, Election  
28           Code. The revised law omits the filing deadline  
29           because it is superseded by Section 144.005, Election  
30           Code. Section 1.002, Election Code, provides that the  
31           Election Code applies to all elections held in this  
32           state. The omitted law reads:

33           Sec. 4. . . . Any person desiring his  
34           name to be printed on the ballot as a  
35           candidate for Director shall file his  
36           application therefor, duly signed, with his  
37           executed oath provided in the Texas  
38           Election Code, with the secretary of the  
39           Board of Directors not less than thirty (30)  
40           days prior to the date of such  
41           election. . . .

42           [Sections 1117.064-1117.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Revised Law

3 Sec. 1117.101. DISTRICT RESPONSIBILITY. The district has  
4 full responsibility for:

5 (1) providing medical and hospital care for the  
6 district's needy inhabitants; and

7 (2) operating all hospital facilities for providing  
8 medical and hospital care for needy or indigent persons in the  
9 district. (Acts 59th Leg., R.S., Ch. 317, Secs. 2 (part), 15  
10 (part).)

11 Source Law

12 Sec. 2. . . . Such District shall assume full  
13 responsibility for providing medical and hospital care  
14 for its needy inhabitants and . . . .

15 Sec. 15. . . . the said Yoakum Hospital  
16 District shall assume full responsibility for the  
17 operation of all hospital facilities for the  
18 furnishing of medical and hospital care of needy or  
19 indigent persons within its boundaries.

20 Revisor's Note

21 Section 2, Chapter 317, Acts of the 59th  
22 Legislature, Regular Session, 1965, provides that the  
23 district "shall assume" full responsibility for  
24 providing medical and hospital care for its needy  
25 inhabitants. Section 15, Chapter 317, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides that the  
27 district "shall assume" full responsibility for  
28 operating all hospital facilities for providing  
29 medical and hospital care of needy or indigent persons  
30 in the district. The revised law substitutes "has" for  
31 the quoted language because the duty to assume that  
32 responsibility is executed.

33 Revised Law

34 Sec. 1117.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION.  
35 A county, any part of which is in the district, or a municipality in  
36 the district may not issue bonds or other obligations or impose a  
37 tax on property in the district for hospital purposes for medical

1 treatment of needy or indigent persons of the district. (Acts 59th  
2 Leg., R.S., Ch. 317, Sec. 15 (part).)

3 Source Law

4 Sec. 15. No county or part thereof that has been  
5 constituted a part of this District, and no city or  
6 town therein after the creation of this District by the  
7 election provided in this Act, shall issue bonds or  
8 other evidences of indebtedness or levy taxes on  
9 property within this District, for hospital purposes  
10 for medical treatment of needy or indigent persons of  
11 this District and . . . .

12 Revisor's Note

13 (1) Section 15, Chapter 317, Acts of the 59th  
14 Legislature, Regular Session, 1965, provides that  
15 "after the creation of this District by the election  
16 provided in this Act," certain counties, cities, and  
17 towns may not issue bonds or other indebtedness or levy  
18 taxes on property in the district for hospital  
19 purposes. The revised law omits the quoted language as  
20 executed. In addition, throughout this chapter, the  
21 revised law substitutes "impose" for "levy" because,  
22 in the context of taxation, the terms are synonymous  
23 and "impose" is more commonly used.

24 (2) Section 15, Chapter 317, Acts of the 59th  
25 Legislature, Regular Session, 1965, refers to a "city  
26 or town." The revised law substitutes "municipality"  
27 for "city or town" to conform to the terminology of the  
28 Local Government Code.

29 (3) Section 15, Chapter 317, Acts of the 59th  
30 Legislature, Regular Session, 1965, provides that  
31 certain counties, cities, and towns may not issue  
32 bonds or other "evidences of indebtedness." The  
33 revised law substitutes "obligations" for "evidences  
34 of indebtedness" because, in context, the terms are  
35 synonymous and "obligations" is more commonly used.

36 Revised Law

37 Sec. 1117.103. MANAGEMENT AND CONTROL. (a) The management  
38 and control of the district is vested in the board.

1 (b) The district, through the board, has every power, right,  
2 and privilege incident to the ownership of land, buildings, and  
3 personal property and the complete operation, management, and  
4 maintenance of a hospital or hospital system, including the power  
5 to:

6 (1) negotiate and contract with any person to purchase  
7 or lease land or a hospital;

8 (2) construct and equip a hospital or hospital system;

9 (3) acquire and own land and a hospital and lease the  
10 land and hospital, with all hospital equipment and facilities, to  
11 any person to conduct the complete operation, management, and  
12 maintenance of a hospital or hospital system in consideration of a  
13 fair and reasonable annual payment to defray all or part of the  
14 district's annual capital outlay or debt service requirements; and

15 (4) negotiate and contract with other political  
16 subdivisions of this state or private individuals, associations, or  
17 corporations for a purpose described by this subsection.

18 (c) A contract or lease described by Subsection (b) must  
19 assure the provision of medical and hospital care for the  
20 district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 317, Sec.  
21 5 (part).)

22 Source Law

23 Sec. 5. The management and control of the  
24 Hospital District created pursuant to the provisions  
25 of this Act is hereby vested in the Board of  
26 Directors. . . .

27 The District, through its Board of Directors  
28 shall assume every power, right, and privilege  
29 incident to the ownership of land, buildings, personal  
30 property and the complete operation, management and  
31 maintenance of a hospital, hospitals, or hospital  
32 system, and is hereby expressly vested with the power  
33 and authority, including but not limited to, to  
34 negotiate and contract with any person or body, public  
35 or private, to purchase or lease land or hospitals, to  
36 construct and equip hospitals or a hospital system, to  
37 acquire and own land and hospitals and lease the same  
38 with all hospital equipment and facilities to any  
39 person or body, public or private for the purpose of  
40 conducting the complete operation, management and  
41 maintenance of a hospital or hospital system in  
42 consideration of a fair and reasonable annual payment  
43 to defray any part or all of the District's annual  
44 capital outlay or debt service requirements, and to  
45 negotiate and contract with other political  
46 subdivisions of the State or private individuals,

1 associations or corporations for such purpose or  
2 purposes. Any such contract or lease shall assure the  
3 provision of medical and hospital care for the needy  
4 inhabitants of the District. . . .

5 Revisor's Note

6 (1) Section 5, Chapter 317, Acts of the 59th  
7 Legislature, Regular Session, 1965, provides that the  
8 district, through the board of directors, "shall  
9 assume" every power, right, and privilege incident to  
10 the ownership of land, buildings, and personal  
11 property and the complete operation, management, and  
12 maintenance of a hospital or hospital system. The  
13 revised law substitutes "has" for the quoted language  
14 because the duty to assume the responsibility is  
15 executed.

16 (2) Section 5, Chapter 317, Acts of the 59th  
17 Legislature, Regular Session, 1965, provides that the  
18 board has the "power and authority" to take certain  
19 actions. The revised law omits "authority" because,  
20 in this context, "authority" is included in the  
21 meaning of "power."

22 (3) Section 5, Chapter 317, Acts of the 59th  
23 Legislature, Regular Session, 1965, provides that the  
24 board may contract with "any person or body, public or  
25 private." The revised law omits "body, public or  
26 private," because under Section 311.005(2),  
27 Government Code (Code Construction Act), "person"  
28 includes a public or private body.

29 Revised Law

30 Sec. 1117.104. HOSPITAL SYSTEM. The district shall provide  
31 for:

32 (1) the establishment of a hospital system by:

33 (A) purchasing, constructing, acquiring,  
34 repairing, or renovating buildings and equipment; and

35 (B) equipping the buildings; and

36 (2) the administration of the hospital system for

1 hospital purposes. (Acts 59th Leg., R.S., Ch. 317, Sec. 2 (part).)

2 Source Law

3 Sec. 2. . . . thereafter it shall provide for  
4 the establishment of a hospital system by the  
5 purchase, construction, acquisition, repair or  
6 renovation of buildings and equipment and the  
7 equipping of same and the administration thereof for  
8 hospital purposes. . . .

9 Revised Law

10 Sec. 1117.105. RULES. The district, through the board, may  
11 adopt rules for the operation of the district. (Acts 59th Leg.,  
12 R.S., Ch. 317, Sec. 5 (part).)

13 Source Law

14 Sec. 5. . . . The District through its Board of  
15 Directors shall have the power and authority . . . to  
16 promulgate rules and regulations for the operation of  
17 the District. . . .

18 Revisor's Note

19 Section 5, Chapter 317, Acts of the 59th  
20 Legislature, Regular Session, 1965, provides that the  
21 board may "promulgate" rules and regulations for the  
22 operation of the district. The revised law  
23 substitutes "adopt" for "promulgate" because the terms  
24 are synonymous and the former is more commonly used.

25 Revised Law

26 Sec. 1117.106. PURCHASING AND ACCOUNTING. The board may  
27 prescribe:

28 (1) the method and manner of making purchases and  
29 expenditures by and for the district; and

30 (2) all accounting and control procedures. (Acts 59th  
31 Leg., R.S., Ch. 317, Sec. 5 (part).)

32 Source Law

33 Sec. 5. . . . The Board of Directors shall be  
34 authorized to prescribe the method and manner of  
35 making purchases and expenditures by and for such  
36 District, and all accounting and control procedures,  
37 . . . .

38 Revised Law

39 Sec. 1117.107. EMINENT DOMAIN. (a) The district may  
40 exercise the power of eminent domain to acquire a fee simple or

1 other interest in any type of property located in district  
2 territory if the interest is necessary to a power, right, or  
3 privilege conferred by this chapter.

4 (b) The district must exercise the power of eminent domain  
5 in the manner provided by Chapter 21, Property Code, except that the  
6 district is not required to deposit in the trial court money or a  
7 bond as provided by Section 21.021(a), Property Code.

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

10 (1) pay in advance or provide a bond or other security  
11 for costs in the trial court;

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

14 (3) provide a bond for costs or a supersedeas bond on  
15 an appeal or petition for review. (Acts 59th Leg., R.S., Ch. 317,  
16 Sec. 12.)

17 Source Law

18 Sec. 12. The District created hereunder shall  
19 have the right and power of eminent domain for the  
20 purpose of acquiring by condemnation any and all  
21 property of any kind and character in fee simple, or  
22 any lesser interest therein, within the boundaries of  
23 the District, necessary to the powers, rights, and  
24 privileges conferred by this Act, in the manner  
25 provided by General Law with respect to condemnation;  
26 provided that the said District shall not be required  
27 to make deposits in the registry of the trial court of  
28 the sum required by Paragraph No. 2 in Article 3268,  
29 Revised Civil Statutes of Texas, 1925, as amended, or  
30 to make the bond required therein. In condemnation  
31 proceedings being prosecuted by the said District, the  
32 District shall not be required to pay in advance or to  
33 give bond or other security for costs in the trial  
34 court, nor to give any bond otherwise required for the  
35 issuance of a temporary restraining order or a  
36 temporary injunction, relating to a condemnation  
37 proceeding, nor to give bond for costs or for  
38 supersedeas on any appeal of writ of error proceeding  
39 to any Court of Civil Appeals, or to the Supreme Court.

40 Revisor's Note

41 (1) Section 12, Chapter 317, Acts of the 59th  
42 Legislature, Regular Session, 1965, provides that the  
43 district has the "right and power of eminent domain for  
44 the purpose of acquiring [property] by condemnation."  
45 The revised law substitutes for the quoted language

1 "may exercise the power of eminent domain to acquire  
2 [property]" because the phrases have the same meaning,  
3 and the latter phrase is consistent with modern usage  
4 in laws relating to eminent domain.

5 (2) Section 12, Chapter 317, Acts of the 59th  
6 Legislature, Regular Session, 1965, provides that the  
7 district must exercise the power of eminent domain in  
8 the manner provided by "General Law with respect to  
9 condemnation." The revised law substitutes for the  
10 quoted language a reference to Chapter 21, Property  
11 Code, because that is the general law governing  
12 eminent domain for governmental entities.

13 (3) Section 12, Chapter 317, Acts of the 59th  
14 Legislature, Regular Session, 1965, refers to  
15 "Paragraph No. 2 in Article 3268, Revised Civil  
16 Statutes of Texas, 1925, as amended." That statute was  
17 codified in 1983 as Section 21.021(a), Property Code,  
18 and the revised law is drafted accordingly. In  
19 addition, throughout this chapter, the revised law  
20 omits the references to "as amended" because under  
21 Section 311.027, Government Code (Code Construction  
22 Act), a reference to a statute applies to all  
23 reenactments, revisions, or amendments of that statute  
24 unless expressly provided otherwise.

25 (4) Section 12, Chapter 317, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides that the  
27 district is not required to give bond "on any appeal of  
28 writ of error." The revised law substitutes "or" for  
29 "of" because it is clear from the context that "of" is  
30 a typographical error and that the legislature  
31 intended to use the phrase "or writ of error."

32 (5) Section 12, Chapter 317, Acts of the 59th  
33 Legislature, Regular Session, 1965, provides that the  
34 district is not required to provide bond on any appeal

1 or "writ of error proceeding" to "any Court of Civil  
2 Appeals, or to the Supreme Court." The revised law  
3 substitutes "petition for review" for "writ of error"  
4 because, effective September 1, 1997, the Texas  
5 Supreme Court replaced the writ of error procedure  
6 with the petition for review procedure. See Rule 53.1,  
7 Texas Rules of Appellate Procedure. The revised law  
8 omits the references to the court of civil appeals (now  
9 the court of appeals) and the supreme court because  
10 those courts are the only courts to which the district  
11 may appeal or with which the district may file a  
12 petition for review.

13 Revised Law

14 Sec. 1117.108. GIFTS AND ENDOWMENTS. The board may accept  
15 for the district a gift or endowment to be held in trust and  
16 administered by the board for the purposes and under any  
17 directions, limitations, or other provisions prescribed in writing  
18 by the donor that are not inconsistent with the proper management  
19 and objectives of the district. (Acts 59th Leg., R.S., Ch. 317,  
20 Sec. 18.)

21 Source Law

22 Sec. 18. The Board of Directors of the District  
23 is authorized on behalf of such Hospital District to  
24 accept donations, gifts and endowments to be held in  
25 trust and administered by the Board of Directors for  
26 such purposes and under such directions, limitations  
27 and provisions as may be prescribed in writing by the  
28 donor, not inconsistent with proper management and  
29 object of the Hospital District.

30 Revisor's Note

31 Section 18, Chapter 317, Acts of the 59th  
32 Legislature, Regular Session, 1965, refers to  
33 "donations" and "gifts." The revised law omits  
34 "donations" because "donations" is included in the  
35 meaning of "gifts."

36 Revised Law

37 Sec. 1117.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
38 CARE AND TREATMENT. The board may contract with:

1 (1) any county or municipality located outside the  
2 district for the care and treatment of a sick or injured person of  
3 that county or municipality; and

4 (2) this state or a federal agency for the treatment of  
5 a sick, disabled, or injured person for whom the state or the  
6 federal government is responsible. (Acts 59th Leg., R.S., Ch. 317,  
7 Sec. 5 (part).)

8 Source Law

9 Sec. 5. . . . The Board of Directors shall be  
10 authorized to contract with any county or incorporated  
11 municipality located outside the District for the care  
12 and treatment of the sick, diseased or injured persons  
13 of any such county or municipality and shall have the  
14 authority to contract with the State of Texas and  
15 agencies of the Federal Government, for treatment of  
16 sick, diseased, disabled or injured persons for whom  
17 the State of Texas or the Federal Government are  
18 responsible. . . .

19 Revisor's Note

20 (1) Section 5, Chapter 317, Acts of the 59th  
21 Legislature, Regular Session, 1965, refers to an  
22 "incorporated" municipality. The revised law omits  
23 "incorporated" because under the Local Government Code  
24 all municipalities must be incorporated.

25 (2) Section 5, Chapter 317, Acts of the 59th  
26 Legislature, Regular Session, 1965, refers to the  
27 treatment of a "sick, diseased or injured" person. The  
28 revised law omits "diseased" because "diseased" is  
29 included in the meaning of "sick."

30 Revised Law

31 Sec. 1117.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
32 When a patient who resides in the district has been admitted to a  
33 district facility, the board shall have an inquiry made into the  
34 circumstances of:

35 (1) the patient; and

36 (2) the patient's relatives legally liable for the  
37 patient's support.

38 (b) If an agent designated by the district to handle the  
39 inquiry determines that the patient or those relatives cannot pay

1 for all or part of the patient's care and treatment in the hospital,  
2 the amount that cannot be paid becomes a charge against the  
3 district.

4 (c) If the board determines that the patient or those  
5 relatives are liable to pay for all or part of the patient's care  
6 and treatment, the patient or those relatives shall be ordered to  
7 pay to the district's treasurer a specified amount each week for the  
8 patient's support. The amount ordered must be proportionate to  
9 their financial ability and may not exceed the actual per capita  
10 cost of maintenance.

11 (d) The district may collect the amount from the patient's  
12 estate, or from those relatives legally liable for the patient's  
13 support, in the manner provided by law for the collection of  
14 expenses of the last illness of a deceased person.

15 (e) If there is a dispute as to the ability to pay, or doubt  
16 in the mind of the district's designated agent, the board shall hold  
17 a hearing and, after calling witnesses, shall:

- 18 (1) resolve the dispute or doubt; and
- 19 (2) issue any appropriate order.

20 (f) Either party to the dispute may appeal the order to the  
21 district court. (Acts 59th Leg., R.S., Ch. 317, Sec. 17.)

22 Source Law

23 Sec. 17. Whenever a patient residing in the  
24 District has been admitted to the facilities of the  
25 Hospital District, the Board of Directors shall cause  
26 inquiry to be made as to his circumstances and of the  
27 relatives of such patient legally liable for his  
28 support. If it finds that such patient or said  
29 relatives are liable to pay for his care and treatment  
30 in whole or in part, any order shall be made directing  
31 such patient, or said relatives, to pay to the  
32 treasurer of the District for the support of such  
33 patient a specified sum per week, in proportion to  
34 their financial ability, but such sum shall not exceed  
35 the actual per capita cost of maintenance. The  
36 District shall have power and authority to collect  
37 such sum from the estate of the patient, or his  
38 relatives legally liable for his support, in the  
39 manner provided by law for the collection of expenses  
40 of the last illness of a deceased person. If the agent  
41 designated by the District to handle such affairs  
42 finds that such patient or said relatives are not able  
43 to pay, either in whole or in part, for his care and  
44 treatment in such hospital, the same shall become a  
45 charge upon the District. Should there be a dispute as  
46 to the ability to pay, or doubt in the mind of the

1 person designated as aforesaid, the Board of Directors  
2 shall hear and determine same, after calling  
3 witnesses, and shall make such order as may be proper,  
4 from which appeal shall lie to the district court by  
5 either party to the dispute.

6 Revised Law

7 Sec. 1117.111. AUTHORITY TO SUE AND BE SUED. The district,  
8 through the board, may sue and be sued. (Acts 59th Leg., R.S., Ch.  
9 317, Sec. 5 (part).)

10 Source Law

11 Sec. 5. . . . The District through its Board of  
12 Directors shall have the power and authority to sue and  
13 be sued and . . . .

14 Revisor's Note  
15 (End of Subchapter)

16 Section 13, Chapter 317, Acts of the 59th  
17 Legislature, Regular Session, 1965, provides  
18 authority for the "State Board of Health or any State  
19 Board of Charities (or Public Welfare) that may  
20 hereafter be created" to inspect district facilities  
21 and records. The revised law omits Section 13 because  
22 various state laws, including Chapters 222 and 241,  
23 Health and Safety Code, provide the necessary  
24 inspection authority to appropriate state agencies.  
25 The omitted law reads:

26 Sec. 13. The District established or  
27 maintained under the provisions of this Act  
28 shall be subject to inspection by any duly  
29 authorized representative of the State  
30 Board of Health or any State Board of  
31 Charities (or Public Welfare) that may  
32 hereafter be created, and resident officers  
33 shall admit such representatives into all  
34 Hospital District facilities and give them  
35 access on demand to all records, reports,  
36 books, papers and accounts pertaining to  
37 the Hospital District.

38 [Sections 1117.112-1117.150 reserved for expansion]

39 SUBCHAPTER D. CHANGE IN BOUNDARIES

40 Revised Law

41 Sec. 1117.151. ANNEXATION; TERRITORY SUBJECT TO  
42 ANNEXATION. The board may adopt an order to annex territory that is  
43 adjacent to the district if an election is called by the board in  
44 accordance with this subchapter. (Acts 59th Leg., R.S., Ch. 317,

1 Sec. 14 (part).)

2 Source Law

3 Sec. 14. The Board of Directors of the District  
4 may by order duly adopted annex any adjacent  
5 properties to said District, provided that an election  
6 is called by the Board of Directors, . . . .

7 Revisor's Note

8 Section 14, Chapter 317, Acts of the 59th  
9 Legislature, Regular Session, 1965, refers to an order  
10 "duly adopted." The revised law omits "duly" as  
11 unnecessary in this context because the word does not  
12 add to the clear meaning of the law.

13 Revised Law

14 Sec. 1117.152. ELECTION. An election described by Section  
15 1117.151 must be confined to the territory proposed to be annexed to  
16 the district. (Acts 59th Leg., R.S., Ch. 317, Sec. 14 (part).)

17 Source Law

18 Sec. 14. . . . such election to be confined to  
19 the area to be annexed to the District, and . . . .

20 Revised Law

21 Sec. 1117.153. ELECTION RESULT; EFFECT. On approval of the  
22 annexation by a majority of the voters in the territory proposed to  
23 be annexed, the territory:

24 (1) becomes a part of the district;

25 (2) is liable for the territory's pro rata share of the  
26 district's indebtedness; and

27 (3) shall impose taxes on property in the district for  
28 the payment of the district's debt and obligations. (Acts 59th  
29 Leg., R.S., Ch. 317, Sec. 14 (part).)

30 Source Law

31 Sec. 14. . . . upon the approval of a majority  
32 of the qualified property taxpaying electors of said  
33 area proposed to be annexed the said property shall  
34 become a part and portion of the said District and  
35 shall be liable for its pro rata share of the  
36 indebtedness of said District and to the levying of  
37 taxes upon the properties in said District for the  
38 payment of said obligations and debts of said  
39 District.

1 Revisor's Note

2 (1) Section 14, Chapter 317, Acts of the 59th  
3 Legislature, Regular Session, 1965, refers to a  
4 majority vote of the "qualified . . . electors" of the  
5 area. Throughout this chapter, the revised law omits  
6 "qualified" in this context because Chapter 11,  
7 Election Code, governs eligibility to vote in an  
8 election in this state and allows only qualified  
9 voters who are residents of the territory covered by  
10 the election to vote in an election. Throughout this  
11 chapter, the revised law substitutes "voter" for  
12 "elector" because "voter" is the term used in the  
13 Election Code.

14 (2) Section 14, Chapter 317, Acts of the 59th  
15 Legislature, Regular Session, 1965, refers to  
16 "property taxpaying" voters. The revised law omits  
17 the quoted language because in Hill v. Stone, 421 U.S.  
18 289 (1975), the United States Supreme Court determined  
19 that property ownership as a qualification for voting  
20 is an unconstitutional denial of equal protection.

21 [Sections 1117.154-1117.200 reserved for expansion]

22 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

23 Revised Law

24 Sec. 1117.201. BUDGET. The board shall prepare an annual  
25 budget, with the assistance of the district administrator, that  
26 corresponds to the district's fiscal year. (Acts 59th Leg., R.S.,  
27 Ch. 317, Secs. 5 (part), 19 (part).)

28 Source Law

29 Sec. 5. . . . The Board of Directors shall be  
30 authorized to . . . prepare an annual budget with the  
31 assistance of the administrator or manager. . . .

32 Sec. 19. The Board of Directors of the District  
33 shall cause to be prepared an annual budget based upon  
34 the fiscal year of the Hospital District in accordance  
35 with the provisions of Section 5 hereof and . . . .

36 Revisor's Note

37 Section 19, Chapter 317, Acts of the 59th

1 Legislature, Regular Session, 1965, requires an annual  
2 budget to be prepared "in accordance with the  
3 provisions of Section 5 hereof." The revised law omits  
4 the quoted language because the provisions are  
5 applicable by their own terms.

6 Revised Law

7 Sec. 1117.202. NOTICE; HEARING. (a) Before an annual  
8 budget described by Section 1117.201 is adopted, the board shall  
9 call a public hearing on the budget.

10 (b) Notice of the hearing must be published in a newspaper  
11 of general circulation in the district not later than the 10th day  
12 before the date of the hearing.

13 (c) After the budget is adopted, the following must be  
14 published one time in a newspaper of general circulation in the  
15 district:

16 (1) a brief form of the adopted budget by general  
17 heading;

18 (2) the annual budget for the preceding fiscal year in  
19 a form similar to the form described by Subdivision (1); and

20 (3) the actual expenditures for the preceding fiscal  
21 year, including fiscal year account balances. (Acts 59th Leg.,  
22 R.S., Ch. 317, Sec. 19 (part).)

23 Source Law

24 Sec. 19. The Board of Directors . . . shall call  
25 a public hearing on the same prior to its adoption.  
26 Notice of such hearing shall be published in a  
27 newspaper of general circulation in the District at  
28 least ten (10) days prior to the date set for the  
29 hearing. After its adoption, a brief form of such  
30 budget by general heading along with a similar form of  
31 the preceding annual budget and the actual  
32 expenditures thereunder, showing fiscal year account  
33 balances shall be published one time in a newspaper of  
34 general circulation in the District.

35 Revised Law

36 Sec. 1117.203. FISCAL YEAR. The board may establish a  
37 fiscal year for the district. (Acts 59th Leg., R.S., Ch. 317, Sec.  
38 5 (part).)



1 Revised Law

2 Sec. 1117.207. DEPOSITORY OR TREASURER. (a) The board  
3 shall designate one or more banks in the district to serve as  
4 depository or treasurer for district money.

5 (b) District money shall be immediately deposited on  
6 receipt with a depository bank, except that sufficient money must  
7 be remitted to an appropriate bank to pay the principal of and  
8 interest on the district's outstanding bonds on or before the  
9 maturity date of the principal and interest.

10 (c) To the extent that money in a depository bank is not  
11 insured by the Federal Deposit Insurance Corporation, the money  
12 must be secured in the manner provided by law for the security of  
13 county funds.

14 (d) Membership on the district's board of an officer or  
15 director of a bank does not disqualify that bank from being  
16 designated as depository. (Acts 59th Leg., R.S., Ch. 317, Sec. 11.)

17 Source Law

18 Sec. 11. The Board of Directors of the District  
19 shall name one or more banks within the District to  
20 serve as depository or treasurer for the funds of the  
21 District. All such funds shall, as derived and  
22 collected, be immediately deposited with such  
23 depository bank or banks except that sufficient funds  
24 shall be remitted to the bank or banks for the payment  
25 of principal of and interest on the outstanding bonds  
26 of the District in time that such money may be received  
27 by said bank or banks of payment on or prior to the date  
28 of maturity of such principal and interest so to be  
29 paid. To the extent that funds in the depository bank  
30 or banks are not insured by the Federal Deposit  
31 Insurance Corporation, they shall be secured in the  
32 manner provided by law for security of county funds.  
33 Membership on the Board of Directors of an officer or  
34 director of a bank shall not disqualify such bank from  
35 being designated as depository.

36 Revisor's Note

37 Section 11, Chapter 317, Acts of the 59th  
38 Legislature, Regular Session, 1965, refers to money  
39 "derived and collected." The revised law substitutes  
40 "on receipt" for the quoted language because the terms  
41 are synonymous and the former is more commonly used.

42 [Sections 1117.208-1117.250 reserved for expansion]

1 SUBCHAPTER F. BONDS

2 Revised Law

3 Sec. 1117.251. GENERAL OBLIGATION BONDS. (a) The board may  
4 issue and sell general obligation bonds in the name and on the faith  
5 and credit of the district for any purpose related to the purchase,  
6 construction, acquisition, repair, or renovation of buildings and  
7 improvements, and equipping buildings and improvements for  
8 hospitals and the hospital system, as determined by the board.

9 (b) The board shall issue the bonds in compliance with the  
10 applicable provisions of Subtitles A and C, Title 9, Government  
11 Code. (Acts 59th Leg., R.S., Ch. 317, Sec. 7 (part).)

12 Source Law

13 Sec. 7. The Board of Directors of the District  
14 shall have the power and authority to issue and sell  
15 its bonds in the name and upon the faith and credit of  
16 such District for the purchase, construction,  
17 acquisition, repair or renovation of buildings and  
18 improvements and equipping the same for hospitals and  
19 the hospital system, as determined by the Board of  
20 Directors, and for any or all of such purposes. . . .  
21 Such bonds shall be issued under the provisions of  
22 Chapter 1, Title 22 of the Revised Civil Statutes of  
23 Texas, as amended, but . . . .

24 Revisor's Note

25 (1) Section 7, Chapter 317, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides that the  
27 board has the power and authority to issue and sell  
28 bonds in the name and on the faith and credit of the  
29 district. Because the type of bonds described by  
30 Section 7 are known as "general obligation bonds," the  
31 revised law is drafted accordingly.

32 (2) Section 7, Chapter 317, Acts of the 59th  
33 Legislature, Regular Session, 1965, provides that  
34 bonds issued under that section "shall be issued under  
35 the provisions of Chapter 1, Title 22 of the Revised  
36 Civil Statutes of Texas, as amended." Chapter 1, Title  
37 22, Revised Statutes, was composed of V.A.C.S.  
38 Articles 701-717w. The relevant parts of those  
39 provisions were revised in 1999 as Subtitles A and C of

1 Title 9, Government Code, and the revised law is  
2 drafted accordingly. In addition, the revised law  
3 omits the reference to "as amended" for the reason  
4 stated in Revisor's Note (3) to Section 1117.107.

5 Revised Law

6 Sec. 1117.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
7 the time general obligation bonds are issued under Section  
8 1117.251, the board shall impose an ad valorem tax at a rate  
9 sufficient to create an interest and sinking fund and to pay the  
10 principal of and interest on the bonds as the bonds mature.

11 (b) The tax required by this section together with any other  
12 tax imposed for the district may not in any year exceed 75 cents on  
13 each \$100 valuation of taxable property in the district. (Acts 59th  
14 Leg., R.S., Ch. 317, Sec. 7 (part).)

15 Source Law

16 Sec. 7. . . . At the time of the issuance of any  
17 such bonds, a tax shall be levied by the Board  
18 sufficient to create an interest and sinking fund and  
19 to pay the interest on and principal of said bonds as  
20 same mature, providing such tax together with any  
21 other taxes levied for said District shall not exceed  
22 seventy-five cents (75¢) on each One Hundred Dollar  
23 valuation of taxable property in any one year. . . .

24 Revisor's Note

25 Section 7, Chapter 317, Acts of the 59th  
26 Legislature, Regular Session, 1965, requires the levy  
27 of an annual tax to pay the principal of and interest  
28 on bonds. The revised law specifies that the tax is an  
29 "ad valorem" tax because it is clear from the source  
30 law that the tax is a property tax. Section 1(b),  
31 Article VIII, Texas Constitution, requires all  
32 property that is taxed to be taxed in proportion to its  
33 value, and accordingly "ad valorem" tax is the term  
34 most commonly used in Texas law to refer to a tax on  
35 property.

36 Revised Law

37 Sec. 1117.253. GENERAL OBLIGATION BOND ELECTION. (a) The  
38 district may issue general obligation bonds only if the bonds are

1 authorized by a majority of the district voters voting at an  
2 election held for that purpose.

3 (b) The board shall call the election. The election must be  
4 held in accordance with Chapter 1251, Government Code.

5 (c) The election order must specify:

- 6 (1) the date of the election;
- 7 (2) the amount of the bonds to be authorized;
- 8 (3) the maximum maturity of the bonds;
- 9 (4) the maximum interest rate of the bonds;
- 10 (5) the location of the polling places; and
- 11 (6) the presiding election officers.

12 (d) Notice of a bond election shall be given by publishing a  
13 substantial copy of the election order in a newspaper of general  
14 circulation in the district once each week for two consecutive  
15 weeks before the date of the election. The first publication must  
16 occur at least 20 days before the date of the election. (Acts 59th  
17 Leg., R.S., Ch. 317, Sec. 7 (part).)

18 Source Law

19 Sec. 7. . . . No bond shall be issued by such  
20 District . . . until authorized by a majority of the  
21 qualified property tax paying electors of the District  
22 voting at an election called for such purpose. Such  
23 election shall be called by the Board of Directors and  
24 held in accordance with the provisions of Chapter 1,  
25 Title 22 of the Revised Civil Statutes of Texas, as  
26 amended, and except as therein otherwise provided,  
27 shall be conducted in accordance with the General Laws  
28 of Texas pertaining to elections. . . . The election  
29 order shall specify the date of the election, the  
30 amount of bonds to be authorized, the maximum maturity  
31 thereof, the maximum rate of interest they are to bear,  
32 the place or places where the election shall be held  
33 and the presiding officers thereof. Notice of  
34 election shall be given by publishing a substantial  
35 copy of the order calling the election in a newspaper  
36 of general circulation in such District once a week for  
37 two (2) consecutive weeks prior to the date of  
38 election, the date of the first publication being at  
39 least twenty (20) days prior to the date set for the  
40 election. . . .

41 Revisor's Note

42 (1) Section 7, Chapter 317, Acts of the 59th  
43 Legislature, Regular Session, 1965, refers to  
44 "property tax paying" voters. The revised law omits  
45 the quoted language for the reason stated in Revisor's

1 Note (2) to Section 1117.153.

2 (2) Section 7, Chapter 317, Acts of the 59th  
3 Legislature, Regular Session, 1965, provides that an  
4 election must be "held in accordance with the  
5 provisions of Chapter 1, Title 22 of the Revised Civil  
6 Statutes of Texas, as amended, and except as therein  
7 otherwise provided, shall be conducted in accordance  
8 with the General Laws of Texas pertaining to  
9 elections." The election provisions of Chapter 1,  
10 Title 22, Revised Statutes, are codified as Chapter  
11 1251, Government Code, and the revised law is drafted  
12 accordingly. The revised law omits "except as therein  
13 otherwise provided" because an exception to the  
14 application of the Election Code in Chapter 1251,  
15 Government Code (the revision of the election  
16 provisions of Chapter 1, Title 22, Revised Statutes),  
17 would apply by its own terms. The revised law omits  
18 the reference to the "General Laws of Texas pertaining  
19 to elections" because Section 1.002, Election Code,  
20 provides that the Election Code applies to all  
21 elections held in this state.

22 (3) Section 7, Chapter 317, Acts of the 59th  
23 Legislature, Regular Session, 1965, requires the  
24 district to make provisions for defraying the costs of  
25 elections. The revised law omits the provision  
26 because it duplicates Section 1.014, Election Code,  
27 applicable to the district under Section 1.002 of that  
28 code. The omitted law reads:

29 Sec. 7. . . . The District shall make  
30 provisions for defraying the costs of all  
31 elections called and held under the  
32 provisions of this Act. . . .

33 Revised Law

34 Sec. 1117.254. EXECUTION OF GENERAL OBLIGATION BONDS. The  
35 board president shall execute the general obligation bonds in the  
36 district's name, and the board secretary shall attest the bonds as

1 provided by Chapter 618, Government Code. (Acts 59th Leg., R.S.,  
2 Ch. 317, Sec. 7 (part).)

3 Source Law

4 Sec. 7. . . . Such bonds . . . shall be  
5 executed in the name of the District and in its behalf  
6 by the President of the Board and attested by the  
7 Secretary as provided by Chapter 204, Acts of the 57th  
8 Legislature, Regular Session, 1961 (Article 717j-1,  
9 Vernon's Texas Civil Statutes), and . . . .

10 Revisor's Note

11 Section 7, Chapter 317, Acts of the 59th  
12 Legislature, Regular Session, 1965, refers to Chapter  
13 204, Acts of the 57th Legislature, Regular Session,  
14 1961 (Article 717j-1, Vernon's Texas Civil Statutes).  
15 That statute was codified in 1999 as Chapter 618,  
16 Government Code, and the revised law is drafted  
17 accordingly.

18 Revised Law

19 Sec. 1117.255. REFUNDING BONDS. (a) The district may,  
20 without an election, issue refunding bonds to refund any bond or  
21 other refundable indebtedness issued or assumed by the district.

22 (b) A refunding bond may be:

23 (1) sold, with the proceeds of the refunding bond  
24 applied to the payment of the outstanding bonds or other refundable  
25 indebtedness; or

26 (2) exchanged wholly or partly for not less than a  
27 similar principal amount of the outstanding bonds or other  
28 refundable indebtedness. (Acts 59th Leg., R.S., Ch. 317, Sec. 7  
29 (part).)

30 Source Law

31 Sec. 7. . . . [No bond shall be issued by such  
32 District] except refunding bonds [until authorized by  
33 a majority of the qualified property taxpaying  
34 electors of the District] . . . .

35 The bonds of the District may be issued for the  
36 purpose of refunding and paying off any bond or other  
37 refundable indebtedness issued or assumed by the  
38 District and any bond issued by such District. Such  
39 refunding bonds may be sold and the proceeds thereof  
40 applied to the payment of any outstanding bonds or  
41 other refundable indebtedness, or may be exchanged in  
42 whole or in part for not less than a like principal  
43 amount of such outstanding bonds or refundable

1 indebtedness; . . . . In accordance therewith, the  
2 District may issue such refunding bonds without an  
3 election above provided. . . .

4 Revisor's Note

5 (1) Section 7, Chapter 317, Acts of the 59th  
6 Legislature, Regular Session, 1965, limits the  
7 interest rate for refunding bonds issued by the  
8 district. The revised law omits that provision as  
9 impliedly repealed by Section 2(a), Chapter 3, Acts of  
10 the 61st Legislature, Regular Session, 1969 (Article  
11 717k-2, Vernon's Texas Civil Statutes), which was  
12 codified in 1999 as Section 1204.006(a), Government  
13 Code. Section 1204.006(a) permits a public agency,  
14 including a hospital district, to issue bonds at a net  
15 effective interest rate not to exceed 15 percent and  
16 applies to district bonds by application of Section  
17 1204.001, Government Code. The omitted law reads:

18 Sec. 7. . . . provided that if such  
19 refunding bonds are to be exchanged for a  
20 like amount of said outstanding bonds or  
21 other refundable indebtedness the interest  
22 thereon computed in accordance with  
23 recognized standard bond interest cost  
24 tables, shall not exceed the average  
25 interest cost per annum so computed upon the  
26 bonds or other indebtedness to be refunded;  
27 and . . . .

28 (2) Section 7, Chapter 317, Acts of the 59th  
29 Legislature, Regular Session, 1965, provides that  
30 refunding bonds sold to pay outstanding bonds or other  
31 refundable indebtedness "shall be issued and payments  
32 made in the manner specified by Chapter 503, Acts of  
33 the 54th Legislature, 1955 (Article 717k, Vernon's  
34 Texas Civil Statutes)." Article 717k was codified in  
35 1999 as Chapter 1207, Government Code. The revised law  
36 omits the provision because Chapter 1207, Government  
37 Code, applies to the district by its own terms under  
38 Section 1207.001, Government Code. The omitted law  
39 reads:

40 Sec. 7. . . . [Such refunding bonds  
41 may be sold] . . . provided further that if

1 such refunding bonds are to be sold and the  
2 proceeds thereof applied to the payment of  
3 any such outstanding bonds or other  
4 refundable indebtedness same shall be  
5 issued and payments made in the manner  
6 specified by Chapter 503, Acts of the 54th  
7 Legislature, 1955 (Article 717k, Vernon's  
8 Texas Civil Statutes). . . .

9 Revised Law

10 Sec. 1117.256. BONDS EXEMPT FROM TAXATION. The following  
11 are exempt from taxation by this state or a political subdivision of  
12 this state:

- 13 (1) bonds issued by the district;  
14 (2) the transfer and issuance of the bonds; and  
15 (3) any profits made in the sale of the bonds. (Acts  
16 59th Leg., R.S., Ch. 317, Sec. 8 (part).)

17 Source Law

18 Sec. 8. . . . any bonds issued by it and their  
19 transfer and the issuance therefrom, including any  
20 profits made in the sale thereof, shall at all times be  
21 free from taxation by the State, any municipality or  
22 political subdivision thereof.

23 Revisor's Note

24 Section 8, Chapter 317, Acts of the 59th  
25 Legislature, Regular Session, 1965, refers to "any  
26 municipality or political subdivision" of this state.  
27 The revised law omits "municipality" when used in  
28 conjunction with "political subdivision" because  
29 "municipality" is included in the meaning of  
30 "political subdivision."

31 Revisor's Note  
32 (End of Subchapter)

33 (1) Section 7, Chapter 317, Acts of the 59th  
34 Legislature, Regular Session, 1965, provides that  
35 district bonds are subject to the law governing  
36 counties that relates to bond approval by the attorney  
37 general and registration of the bonds by the  
38 comptroller. Section 7 also provides that after  
39 approval and registration the bonds are  
40 "incontestable." The revised law omits those  
41 provisions as superseded by Chapter 1202, Government

1 Code (enacted as Article 3, Chapter 53, Acts of the  
2 70th Legislature, 2nd Called Session, 1987). Section  
3 1202.003(a), Government Code, requires that bonds be  
4 submitted to the attorney general. Section  
5 1202.003(b), Government Code, provides for approval of  
6 the bonds by the attorney general and requires the  
7 attorney general to submit the approved bonds to the  
8 comptroller for registration. Section 1202.005,  
9 Government Code, requires registration of the bonds by  
10 the comptroller. Section 1202.006, Government Code,  
11 provides that after approval and registration the  
12 bonds are incontestable and binding obligations.  
13 Chapter 1202, Government Code, applies to district  
14 bonds by application of Section 1202.001, Government  
15 Code. The omitted law reads:

16           Sec. 7. . . . [Such bonds] . . .  
17           shall be subject to the same requirements in  
18           the matter of the approval by the Attorney  
19           General of Texas and registration by the  
20           Comptroller of Public Accounts of the State  
21           of Texas as are by law provided for approval  
22           and registration of bonds issued by  
23           counties. After approval of any such bonds  
24           by the Attorney General and registration by  
25           the Comptroller, said bonds shall be  
26           incontestable. . . .

27           (2) Section 7, Chapter 317, Acts of the 59th  
28           Legislature, Regular Session, 1965, provides that  
29           district bonds may be made optional for redemption  
30           before maturity. The revised law omits that provision  
31           because it duplicates Section 1201.021, Government  
32           Code, which provides that a public security may be  
33           issued as redeemable before maturity at one or more  
34           specified times. Section 1201.021, Government Code,  
35           applies to district bonds by application of Section  
36           1201.002, Government Code. The omitted law reads:

37           Sec. 7. . . . The bonds of the  
38           District may be made optional for  
39           redemption prior to their maturity at the  
40           discretion of the Board of Directors.

41           (3) Section 9, Chapter 317, Acts of the 59th

1 Legislature, Regular Session, 1965, provides that  
2 district bonds are legal and authorized investments  
3 for certain entities. The revised law omits that  
4 provision as unnecessary. As to several of the  
5 entities listed, Section 9 has been superseded and  
6 impliedly repealed. Investments in securities by  
7 banks are regulated by Section 34.101, Finance Code  
8 (enacted in 1995 as Section 5.101, Texas Banking Act  
9 (Article 342-5.101, Vernon's Texas Civil Statutes)).  
10 Investments in securities by savings banks are  
11 regulated by Section 93.001(c)(10), Finance Code  
12 (enacted in 1993 as Section 7.15(10), Texas Savings  
13 Bank Act (Article 489e, Vernon's Texas Civil  
14 Statutes)). Investments in securities by trust  
15 companies are regulated by Section 184.101, Finance  
16 Code (enacted in 1997 as Section 5.101, Texas Trust  
17 Company Act (Article 342a-5.101, Vernon's Texas Civil  
18 Statutes)). Investments in securities by building and  
19 loan associations (now called savings and loan  
20 associations) are regulated by Sections 63.002 and  
21 64.001, Finance Code. As to the remaining entities  
22 listed, Section 9 is superseded by Section 1201.041,  
23 Government Code (enacted as Section 9, Bond Procedures  
24 Act of 1981 (Article 717k-6, Vernon's Texas Civil  
25 Statutes)). Section 1201.041, Government Code,  
26 applies to district bonds by application of Section  
27 1201.002, Government Code. The revised law omits the  
28 reference to public funds of this state because it has  
29 been superseded by Section 404.024, Government Code  
30 (enacted in 1985 as Section 2.014, Treasury Act  
31 (Article 4393-1, Vernon's Texas Civil Statutes), and  
32 last amended in 2007), which governs the investment of  
33 state funds. Section 404.024(b)(10), Government Code,  
34 authorizes the investment of state funds in

1 obligations of political subdivisions, including  
2 hospital districts. The revised law omits the  
3 reference to public funds of political subdivisions or  
4 public agencies of the state because it has been  
5 superseded by Chapter 2256, Government Code (enacted  
6 in 1987 as the Public Funds Investment Act of 1987  
7 (Article 842a-2, Vernon's Texas Civil Statutes)),  
8 which governs the investment of local funds. The  
9 omitted law reads:

10           Sec. 9. All bonds of the District  
11 shall be and are hereby declared to be legal  
12 and authorized investments of banks,  
13 savings banks, trust companies, building  
14 and loan associations, savings and loan  
15 associations, insurance companies,  
16 fiduciaries, trustees, and sinking funds of  
17 cities, towns, villages, counties, school  
18 districts, or other political subdivisions  
19 of the State of Texas, and for all public  
20 funds of the State of Texas or its agencies,  
21 including the State Permanent School  
22 Fund. . . .

23           (4) Section 9, Chapter 317, Acts of the 59th  
24 Legislature, Regular Session, 1965, effectively  
25 provides that district bonds may secure deposits of  
26 public funds of this state or political subdivisions  
27 of this state. The revised law omits the provision as  
28 impliedly repealed by Section 404.0221, Government  
29 Code (enacted in 1995), which lists eligible  
30 collateral for deposits of state funds by the  
31 comptroller, and by Chapter 2257, Government Code  
32 (enacted in 1989 as Article 2529d, Vernon's Texas Civil  
33 Statutes), which governs eligible collateral for  
34 deposits of funds of other public agencies, including  
35 political subdivisions, and permits those deposits to  
36 be secured by obligations issued by hospital  
37 districts. The omitted law reads:

38           Sec. 9. . . . Such bonds shall be  
39 eligible to secure deposit of public funds  
40 of the State of Texas and public funds of  
41 cities, towns, villages, counties, school  
42 districts or other political subdivisions  
43 or corporations of the State of Texas; and

1 such bonds shall be lawful and sufficient  
2 security for said deposits to the extent of  
3 their value when accompanied by all  
4 unmatured coupons appurtenant thereto.

5 [Sections 1117.257-1117.300 reserved for expansion]

6 SUBCHAPTER G. TAXES

7 Revised Law

8 Sec. 1117.301. IMPOSITION OF AD VALOREM TAX. (a) The board  
9 shall impose a tax on all taxable property in the district subject  
10 to district taxation.

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

12 (1) pay the interest on and create a sinking fund for  
13 bonds issued or assumed by the district for hospital purposes as  
14 provided by this chapter;

15 (2) provide for the operation and maintenance of the  
16 district and hospital system; and

17 (3) make improvements and additions to the hospitals  
18 or hospital system and acquire necessary land and sites for the  
19 hospitals or hospital system by purchase, lease, or condemnation.

20 (Acts 59th Leg., R.S., Ch. 317, Sec. 10 (part).)

21 Source Law

22 Sec. 10. . . . Upon the creation of such  
23 District, the Board of Directors shall have the power  
24 and authority and it shall be their duty to levy on all  
25 property subject to hospital district taxation for the  
26 benefit of such District . . . a tax . . . of all  
27 taxable property within the District, for the purpose  
28 of: (1) paying the interest on and creating a sinking  
29 fund for bonds which may be issued or assumed by the  
30 District for hospital purposes as herein provided; (2)  
31 providing for the operation and maintenance of the  
32 District and hospital system; and (3) for the purpose  
33 of making further improvements and additions to the  
34 hospitals or hospital system, and for the acquisition  
35 of necessary land and sites therefor, by purchase,  
36 lease or condemnation.

37 Revisor's Note

38 (1) Section 10, Chapter 317, Acts of the 59th  
39 Legislature, Regular Session, 1965, provides that  
40 "[u]pon the creation of such District," the board  
41 shall impose taxes. The revised law omits the quoted  
42 language as executed.

43 (2) Section 10, Chapter 317, Acts of the 59th

1 Legislature, Regular Session, 1965, requires the board  
2 to impose taxes at a certain time and in a certain  
3 manner. The revised law omits those provisions  
4 because they were repealed by Section 6(b), Chapter  
5 841, Acts of the 66th Legislature, Regular Session,  
6 1979, which repealed all "general, local, and special  
7 laws" that conflicted with that act. The 1979 act  
8 enacted the Property Tax Code (Title 1, Tax Code), a  
9 comprehensive, substantive codification of all  
10 property tax law. Title 1, Tax Code, provides the  
11 exclusive procedures for the taxation of property by a  
12 taxing unit, including a hospital district. The  
13 omitted law reads:

14           Sec. 10. . . . [the Board of  
15 Directors shall have the power and  
16 authority and it shall be their duty to levy  
17 on all property subject to hospital  
18 district taxation for the benefit of such  
19 District] at the same time taxes are levied  
20 for county purposes, using the county  
21 valuations of the Counties of DeWitt,  
22 Lavaca and Gonzales, Texas, as same pertain  
23 to the properties within the boundaries of  
24 the District lying within each such  
25 respective county and the County Tax Rolls  
26 thereof, . . . .

27                           Revised Law

28           Sec. 1117.302. TAX RATE. The board may impose the tax at a  
29 rate not to exceed 75 cents on each \$100 valuation of all taxable  
30 property in the district. (Acts 59th Leg., R.S., Ch. 317, Sec. 10  
31 (part).)

32                           Source Law

33           Sec. 10. . . . a tax of not to exceed  
34 seventy-five cents (75¢) on the One Hundred Dollar  
35 valuation of all taxable property within the District,  
36 . . . .

37                           Revised Law

38           Sec. 1117.303. TAX ASSESSOR-COLLECTOR.           The tax  
39 assessor-collector of:

40                   (1) DeWitt County shall assess and collect taxes  
41 imposed by the district on all taxable property in DeWitt County;

42                   (2) Lavaca County shall assess and collect taxes

1 imposed by the district on all taxable property in Lavaca County;  
2 and

3 (3) Gonzales County shall assess and collect taxes  
4 imposed by the district on all taxable property in Gonzales County.  
5 (Acts 59th Leg., R.S., Ch. 317, Sec. 10 (part).)

6 Source Law

7 Sec. 10. . . . The tax assessor and/or  
8 collector of DeWitt County, as to all taxable property  
9 within the boundaries of the District lying within  
10 DeWitt County, Texas; the tax assessor and/or  
11 collector of Lavaca County, as to all taxable property  
12 within the boundaries of the District lying within  
13 Lavaca County, Texas; the tax assessor and/or  
14 collector of Gonzales County, as to all taxable  
15 property within the boundaries of the District lying  
16 within Gonzales County, Texas, shall be charged and  
17 required to accomplish the assessment and collection  
18 of all taxes levied by and on behalf of the District  
19 and . . . .

20 Revisor's Note

21 (1) Section 10, Chapter 317, Acts of the 59th  
22 Legislature, Regular Session, 1965, provides that tax  
23 revenue shall be deposited in the district's  
24 depository. The revised law omits the provision  
25 because Section 31.10, Tax Code, requires the tax  
26 collector for a taxing unit to deposit taxes collected  
27 in the unit's depository. The omitted law reads:

28 Sec. 10. . . . [The tax assessor  
29 and/or collector of DeWitt County . . . ;  
30 the tax assessor and/or collector of Lavaca  
31 County . . . ; the tax assessor and/or  
32 collector of Gonzales County . . . shall be  
33 charged and required] . . . to promptly pay  
34 over the same to the District  
35 depository. . . .

36 (2) Section 10, Chapter 317, Acts of the 59th  
37 Legislature, Regular Session, 1965, provides for  
38 compensating a county tax assessor-collector for the  
39 assessment and collection of district taxes. The  
40 revised law omits that provision because it was  
41 repealed by Section 6(b), Chapter 841, Acts of the 66th  
42 Legislature, Regular Session, 1979. See Revisor's  
43 Note (2) to Section 1117.301. Section 6.27(b), Tax  
44 Code, provides for the compensation of a county tax

1 assessor-collector assessing and collecting taxes for  
2 another taxing unit. The omitted law reads:

3           Sec. 10. . . . For his services, such  
4 county tax assessor-collector shall be  
5 allowed such compensation as may be  
6 provided for by contract with the District  
7 but not to exceed the amount allowed for  
8 assessment and collection of county  
9 taxes. . . .

10           (3) Section 10, Chapter 317, Acts of the 59th  
11 Legislature, Regular Session, 1965, provides that the  
12 bond of the county tax assessor-collector is security  
13 for the performance of district duties unless the  
14 board determines that an additional bond is necessary.  
15 The revised law omits that provision because it  
16 duplicates Section 6.29(b), Tax Code, which authorizes  
17 a taxing unit for which the county tax  
18 assessor-collector collects a tax to require that  
19 collector to post an additional bond. The omitted law  
20 reads:

21           Sec. 10. . . . The bond of such  
22 county tax assessor-collector shall stand  
23 as security for the proper performance of  
24 his duties as assessor-collector of the  
25 District, or, if in the judgment of the  
26 District Board of Directors, it is  
27 necessary, additional bond payable to the  
28 District may be required. . . .

29           (4) Section 10, Chapter 317, Acts of the 59th  
30 Legislature, Regular Session, 1965, provides that the  
31 county tax assessor-collector may act in accordance  
32 with: (1) state law relating to the assessment,  
33 collection, and enforcement of state and county taxes;  
34 and (2) an order of a commissioners court relating to  
35 the assessment, collection, and enforcement of county  
36 taxes. The revised law omits those provisions as  
37 unnecessary. The state law relating to the  
38 assessment, collection, and enforcement of all ad  
39 valorem taxes is Title 1, Tax Code. Section 1.02, Tax  
40 Code, requires all taxing units of government to  
41 administer the taxation of property in conformity with

1 that title. The omitted law reads:

2           Sec. 10. . . . In all matters  
3 pertaining to the assessment, collection  
4 and enforcement of taxes for the District,  
5 such county tax assessor-collector shall be  
6 authorized to act in all respects according  
7 to the laws of the State of Texas relating  
8 to State and County taxes, and where  
9 applicable the orders of the respective  
10 Commissioners Court with reference to the  
11 assessment, collection and enforcement of  
12 county taxes so as to provide  
13 uniformity. . . .

14                           Revisor's Note  
15                           (End of Subchapter)

16           Section 10, Chapter 317, Acts of the 59th  
17 Legislature, Regular Session, 1965, requires the  
18 district to impose taxes in a certain manner. The  
19 revised law omits that provision because it was  
20 repealed by Section 6(b), Chapter 841, Acts of the 66th  
21 Legislature, Regular Session, 1979. See Revisor's  
22 Note (2) to Section 1117.301. Title 1, Tax Code,  
23 provides the exclusive procedures for the imposition  
24 and collection of ad valorem taxes by a taxing unit,  
25 including a hospital district. The omitted law reads:

26           Sec. 10. Hospital District taxes  
27 shall be assessed and collected in the same  
28 manner as provided by law with relation to  
29 county taxes. . . .

30                           Revisor's Note  
31                           (End of Chapter)

32           (1) Sections 2 and 6, Chapter 317, Acts of the  
33 59th Legislature, Regular Session, 1965, provide for  
34 the transfer of certain land, buildings, improvements,  
35 equipment, funds, and taxes to the district after the  
36 district is created and provide for the assumption of  
37 debt by the district on creation. The revised law  
38 omits the provisions as executed. The omitted law  
39 reads:

40           Sec. 2. The District herein  
41 authorized to be created shall take over and  
42 there shall be transferred to it the title  
43 to all lands, buildings, improvements and  
44 equipment in anywise pertaining to  
45 hospitals owned by any city or town thereof

1 and . . . shall assume the outstanding  
2 indebtedness which shall have been incurred  
3 by any city or town therein for hospital  
4 purposes prior to the creation of the  
5 District.

6           Sec. 6. All lands, buildings,  
7 personal property, leaseholds and equipment  
8 that at the time of the creation of the  
9 District are owned by any city or town  
10 therein and which were acquired for the  
11 purpose of or used in providing hospital  
12 service or care for patients of such city or  
13 town shall become the property of Yoakum  
14 Hospital District and the governing body of  
15 any such city or town shall provide by order  
16 that all property so owned shall be conveyed  
17 to the Yoakum Hospital District in  
18 consideration of the District assuming all  
19 debts and obligations arising from the  
20 acquisition, construction and operation of  
21 such city or town hospital facilities,  
22 subject however, to such incumbrances,  
23 leases, or contractual rights and  
24 obligations pertaining thereto as may be  
25 outstanding at such time and made,  
26 incurred, undertaken or assumed by such  
27 city or town, and such District shall  
28 recognize, respect and fulfill any such  
29 incumbrance, lease or contractual rights  
30 and obligations so outstanding in the same  
31 manner and extent as such city or town may  
32 have been legally obligated, without  
33 prejudice to the rights of third parties.  
34 The District through its Board of Directors  
35 shall by resolution, accept said properties  
36 and shall assume all such debts,  
37 obligations, incumbrances, leases, or  
38 contractual rights.

39           Any funds remaining in the hands of any  
40 city or town therein as the proceeds of  
41 bonds assumed by the District, as herein  
42 provided, or sinking funds established to  
43 discharge such bonds, shall forthwith be  
44 transferred to and become the funds of the  
45 District and title thereto shall vest in  
46 such District. There shall also vest in said  
47 District and become the funds thereof the  
48 unspent portion of any other funds  
49 theretofore set up or appropriated by  
50 budget or otherwise by any city or town  
51 thereof for the support and maintenance of  
52 hospital facilities for the year within  
53 which the District is created, thereby  
54 providing such District with funds with  
55 which to maintain and operate such  
56 facilities for the remainder of such year.  
57 Any uncollected or delinquent taxes levied  
58 for hospital purposes by any city or town  
59 thereof, as collected, shall be paid to the  
60 District and applied by it to the purposes  
61 for which such taxes originally were  
62 levied. Any and all obligations under  
63 contracts legally incurred by any city or  
64 town therein for the building or the support  
65 and maintenance of hospital facilities  
66 prior to the creation of said District but  
67 outstanding at the time of its creation  
68 shall be assumed and discharged by such

1 District without prejudice to the rights of  
2 third parties. It is provided that the  
3 management and control of the property and  
4 affairs of any hospital system or systems  
5 owned and operated by any city or town  
6 thereof shall continue in the existing  
7 governing body until appointment and  
8 organization of the Board of Directors of  
9 the District, at which time the governing  
10 body shall turn over all records, property  
11 and affairs of said hospital system or  
12 hospital systems to the Board of Directors  
13 of the District and shall cease to function  
14 as the governing body of such hospital  
15 system or hospital systems. Any outstanding  
16 bonded indebtedness incurred by such city  
17 or town in the acquisition of such lands,  
18 buildings and facilities or in the  
19 construction and equipping of such hospital  
20 facilities, together with any other  
21 outstanding bonds issued for hospital  
22 purposes, shall be assumed by the District;  
23 and such city or town that issued such  
24 bonds, shall be, by the District, released  
25 of any further liability for the payment  
26 therefor or providing interest and sinking  
27 fund requirements thereon; provided that  
28 nothing herein contained shall limit or  
29 affect any of the rights of any of the  
30 holders of such bonds against such city or  
31 town, in the event of default in the payment  
32 of the principal or interest on any such  
33 bonds in accordance with their respective  
34 terms. Any such funds, in the hands of the  
35 District, shall be used for all or any of  
36 the same purposes and for no other purposes  
37 than, the purposes for which the city or  
38 town transferring such funds could lawfully  
39 have used the same had they remained the  
40 property and funds of such city or town.

41 (2) Section 20, Chapter 317, Acts of the 59th  
42 Legislature, Regular Session, 1965, provides that the  
43 act is severable. The revised law omits that provision  
44 because the same result is produced by application of  
45 Section 311.032, Government Code (Code Construction  
46 Act), which provides that a provision of a statute is  
47 severable from each other provision of the statute  
48 that can be given effect. The omitted law reads:

49 Sec. 20. . . . If any provision of  
50 this Act should be invalid, such fact shall  
51 not affect the authorization for the  
52 creation of the Hospital District or the  
53 validity of any other provision of this Act,  
54 and the Legislature here declares that it  
55 would have created the Hospital District  
56 and enacted the valid provisions of this Act  
57 notwithstanding the invalidity of any other  
58 provision or provisions thereof.

59 (3) Section 21, Chapter 317, Acts of the 59th

1 Legislature, Regular Session, 1965, provides that  
 2 public notice of enactment of the statute was provided  
 3 in a manner that satisfies the requirements of the  
 4 Texas Constitution. The revised law omits that  
 5 section as executed. The omitted law reads:

6           Sec. 21. Proof of publication of the  
 7 notice required in the enactment hereof  
 8 under the provisions of Section 9 of Article  
 9 IX of the Texas Constitution has been made  
 10 in the manner and form provided by law  
 11 pertaining to the enactment of local and  
 12 special laws and such notice is hereby found  
 13 and declared proper and sufficient to  
 14 satisfy such requirement.

15           SECTION 1.02. Subtitle E, Title 6, Special District Local  
 16 Laws Code, is amended by adding Chapters 7803 and 7805 to read as  
 17 follows:

18           CHAPTER 7803. IRVING FLOOD CONTROL DISTRICT SECTION I

19                   SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 7803.001. DEFINITIONS . . . . . 621  
 21 Sec. 7803.002. NATURE OF DISTRICT . . . . . 622  
 22 Sec. 7803.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 623  
 23 Sec. 7803.004. DISTRICT TERRITORY . . . . . 624  
 24 Sec. 7803.005. DISSOLUTION AND ABOLITION OF DISTRICT . . . . 626

25           [Sections 7803.006-7803.050 reserved for expansion]

26                   SUBCHAPTER B. BOARD OF DIRECTORS

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 30 Sec. 7803.054. BOARD VACANCY . . . . . 631  
 31 Sec. 7803.055. BOARD PRESIDENT; ABSENCE OF BOARD  
 32                   PRESIDENT . . . . . 632  
 33 Sec. 7803.056. SECRETARY'S DUTIES . . . . . 632  
 34 Sec. 7803.057. TREASURER . . . . . 633  
 35 Sec. 7803.058. COMPENSATION . . . . . 633  
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 38 Sec. 7803.060. DISTRICT OFFICE . . . . . 634

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16		HEARING . . . . .	651
17	Sec. 7803.111.	SETBACK LINES: EFFECT ON LANDOWNERS . . . . .	653
18	Sec. 7803.112.	LEGISLATIVE INTENT . . . . .	655
19	Sec. 7803.113.	NOTICE OF DISTRICT ELECTIONS . . . . .	655
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19 CHAPTER 7803. IRVING FLOOD CONTROL DISTRICT SECTION I

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Revised Law

22 Sec. 7803.001. DEFINITIONS. In this chapter:

- 23 (1) "Board" means the district's board of directors.
- 24 (2) "Director" means a member of the board.
- 25 (3) "District" means the Irving Flood Control District

26 Section I. (Acts 62nd Leg., R.S., Ch. 135, Sec. 1 (part); New.)

27 Source Law

28 Sec. 1. . . . [a . . . district] to be known as  
29 "Irving Flood Control District of Dallas County,  
30 Texas" (hereinafter referred to as the "district"),  
31 . . . .

32 Revisor's Note

33 (1) Section 1, Chapter 135, Acts of the 62nd  
34 Legislature, Regular Session, 1971, refers to the  
35 district as "Irving Flood Control District of Dallas  
36 County, Texas." In November 1983, the Texas

1 Department of Water Resources, the agency with the  
2 relevant regulatory authority at that time, approved  
3 an application by the district to change the district's  
4 name to "Irving Flood Control District Section I." The  
5 revised law is drafted accordingly.

6 (2) The definitions of "board" and "director"  
7 are added to the revised law for drafting convenience  
8 and to eliminate frequent, unnecessary repetition of  
9 the substance of the definitions.

#### 10 Revised Law

11 Sec. 7803.002. NATURE OF DISTRICT. The district is a  
12 conservation and reclamation district and a flood control district  
13 created under and essential to accomplish the purposes of Section  
14 59, Article XVI, Texas Constitution. (Acts 62nd Leg., R.S., Ch.  
15 135, Sec. 1 (part).)

#### 16 Source Law

17 Sec. 1. That under and pursuant to the  
18 provisions of Section 59 of Article XVI, Constitution  
19 of Texas, there is hereby created within the State of  
20 Texas, in addition to the districts into which the  
21 state has heretofore been divided, a conservation and  
22 reclamation district and flood control district . . .  
23 the creation and establishment of said district being  
24 essential to the accomplishment of the purposes of  
25 Section 59 of Article XVI, Constitution of Texas.

#### 26 Revisor's Note

27 (1) Section 1, Chapter 135, Acts of the 62nd  
28 Legislature, Regular Session, 1971, provides that the  
29 district "is hereby created." The revised law omits  
30 the quoted language as executed.

31 (2) Section 1, Chapter 135, Acts of the 62nd  
32 Legislature, Regular Session, 1971, states that the  
33 district is created "within the State of Texas, in  
34 addition to the districts into which the state has  
35 heretofore been divided." The revised law omits the  
36 quoted language because the absence of the language  
37 does not imply that the legislature could create a  
38 district outside its jurisdiction or that the district

1 is not in addition to any other districts.

2 (3) Section 1, Chapter 135, Acts of the 62nd  
3 Legislature, Regular Session, 1971, provides that the  
4 district is a governmental agency and body politic and  
5 corporate, with governmental powers. The revised law  
6 omits the provision because it duplicates a portion of  
7 Section 59(b), Article XVI, Texas Constitution, which  
8 provides that a conservation and reclamation district  
9 is a governmental agency and body politic and  
10 corporate, with governmental powers conferred by law.  
11 The omitted law reads:

12 Sec. 1. . . . Said district shall be  
13 a governmental agency and body politic and  
14 corporate, with the powers of government  
15 and . . . .

16 (4) Section 1, Chapter 135, Acts of the 62nd  
17 Legislature, Regular Session, 1971, provides that the  
18 "creation and establishment" of the district is  
19 essential to accomplish the purposes of Section 59,  
20 Article XVI, Texas Constitution. The revised law  
21 omits "establishment" because, in context,  
22 "establishment" is included in the meaning of  
23 "creation."

24 Revised Law

25 Sec. 7803.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
26 The district is created to serve a public use and benefit.

27 (b) All land and other property included in the district  
28 will benefit from the works and projects accomplished by the  
29 district under the powers conferred by Section 59, Article XVI,  
30 Texas Constitution.

31 (c) The accomplishment of the purposes stated in this  
32 chapter is for the benefit of the people of this state and for the  
33 improvement of their property and industries. The district in  
34 carrying out the purposes of this chapter will be performing an  
35 essential public function under the Texas Constitution. (Acts 62nd  
36 Leg., R.S., Ch. 135, Secs. 4, 24 (part).)





1 type of bonds or refunding bonds." The revised law  
2 omits the reference to "refunding bonds" because  
3 refunding bonds are included in the meaning of "any  
4 type of bonds."

5 (3) Section 3, Chapter 135, Acts of the 62nd  
6 Legislature, Regular Session, 1971, refers to the  
7 district's authority to "assess, levy and collect"  
8 taxes. Throughout this chapter, the revised law  
9 substitutes "impose" for "assess, levy and collect"  
10 because "impose" is the term generally used in Title 1,  
11 Tax Code, and includes the assessment, levy, and  
12 collection of a tax.

#### 13 Revised Law

14 Sec. 7803.005. DISSOLUTION AND ABOLITION OF DISTRICT. The  
15 City of Irving may dissolve and abolish the district at the  
16 municipality's discretion on written notice of the dissolution and  
17 abolition to the board, in the same manner and on the same terms and  
18 obligations as prescribed by Sections 43.074, 43.075, and 43.081,  
19 Local Government Code. (Acts 62nd Leg., R.S., Ch. 135, Sec. 22.)

#### 20 Source Law

21 Sec. 22. It is further expressly provided that  
22 the City of Irving shall have the right to dissolve and  
23 abolish the district at its discretion upon written  
24 notice thereof to the board of directors of the  
25 district, in the same manner and upon the same terms,  
26 conditions and obligations as prescribed in Article  
27 1182c-1, Vernon's Texas Civil Statutes.

#### 28 Revisor's Note

29 (1) Section 22, Chapter 135, Acts of the 62nd  
30 Legislature, Regular Session, 1971, refers to the  
31 "terms" and "conditions" under which the district may  
32 be dissolved and abolished. The revised law omits the  
33 reference to "conditions" because "conditions" is  
34 included in the meaning of "terms."

35 (2) Section 22, Chapter 135, Acts of the 62nd  
36 Legislature, Regular Session, 1971, provides that the  
37 City of Irving may dissolve and abolish the district in

1 accordance with "Article 1182c-1, Vernon's Texas Civil  
2 Statutes." Article 1182c-1 was codified by Chapter  
3 149, Acts of the 70th Legislature, Regular Session,  
4 1987, as Sections 43.074, 43.075, and 43.081, Local  
5 Government Code. The revised law is drafted  
6 accordingly.

7 Revisor's Note  
8 (End of Subchapter)

9 (1) Section 5, Chapter 135, Acts of the 62nd  
10 Legislature, Regular Session, 1971, provides that the  
11 act prevails over general law in case of a conflict or  
12 other inconsistency. The revised law omits that  
13 provision because it duplicates, in substance, Section  
14 311.026(b), Government Code (Code Construction Act).  
15 The omitted law reads:

16 Sec. 5. . . . to the extent that the  
17 provisions of such general laws are in  
18 conflict or inconsistent with the  
19 provisions of this Act, the provisions of  
20 this Act shall prevail.  
21 . . .

22 (2) Section 17, Chapter 135, Acts of the 62nd  
23 Legislature, Regular Session, 1971, states that  
24 Article 970a, Vernon's Texas Civil Statutes (Municipal  
25 Annexation Act), does not apply to the creation of the  
26 district. The revised law omits that provision as  
27 executed. The omitted law reads:

28 Sec. 17. The provisions of Article  
29 970a, Vernon's Texas Civil Statutes, shall  
30 not apply to the creation of this district,  
31 but . . . .

32 (3) Section 17, Chapter 135, Acts of the 62nd  
33 Legislature, Regular Session, 1971, provides that  
34 Article 970a, Vernon's Texas Civil Statutes (Municipal  
35 Annexation Act), applies to the district in all  
36 respects other than creation. In 1987, Article 970a  
37 was codified as part of Chapters 42 and 43, Local  
38 Government Code, and Section 212.003, Local Government  
39 Code. The revised law omits the provision because the

1 relevant provisions of Chapters 42 and 43, Local  
2 Government Code, and Section 212.003, Local Government  
3 Code, apply on their own terms. The omitted law  
4 reads:

5           Sec. 17. [The provisions of Article  
6           970a, Vernon's Texas Civil Statutes, shall  
7           not apply to the creation of this district,  
8           but] in all other respects said article  
9           shall apply to the district.

10           [Sections 7803.006-7803.050 reserved for expansion]

11                           SUBCHAPTER B. BOARD OF DIRECTORS

12   Revised Law

13           Sec. 7803.051. COMPOSITION OF BOARD; TERMS. The board  
14 consists of seven elected directors who serve staggered terms.  
15 (Acts 62nd Leg., R.S., Ch. 135, Sec. 9 (part); New.)

16   Source Law

17           Sec. 9. All powers of the district shall be  
18 exercised by a board of seven directors. . . .  
19 Thereafter, succeeding directors shall be elected and  
20 . . . .

21   Revisor's Note

22           (1) Section 9, Chapter 135, Acts of the 62nd  
23 Legislature, Regular Session, 1971, provides that  
24 "[a]ll powers of the district shall be exercised by"  
25 the board. The revised law omits the provision because  
26 it duplicates, in substance, provisions of Sections  
27 49.051 and 49.057, Water Code. Throughout this  
28 chapter, the revised law omits law that is superseded  
29 by Chapter 49, Water Code, or that duplicates law  
30 contained in that chapter. Chapter 49 applies to the  
31 district under Sections 49.001 and 49.002 of that  
32 chapter.

33           (2) Section 9, Chapter 135, Acts of the 62nd  
34 Legislature, Regular Session, 1971, provides that  
35 directors elected at the first election held by the  
36 district shall serve one-year or two-year terms, which  
37 begins the staggering of directors' terms, and that  
38 subsequent directors serve two-year terms ending on

1 the second Tuesday in January. The revised law  
2 preserves the provision for staggered terms but omits  
3 the provision regarding the first election as  
4 executed. The revised law omits the reference to  
5 "two-year" terms as superseded by Section 49.103(a),  
6 Water Code, enacted in 1995, which stipulates  
7 four-year terms. The revised law also omits the  
8 provision regarding the expiration of directors' terms  
9 in January as superseded by Section 49.103(b), Water  
10 Code, which requires directors' elections to be held on  
11 the uniform election date in May of even-numbered  
12 years. The omitted law reads:

13           Sec. 9. . . . At the first election  
14 for directors, the four persons receiving  
15 the most votes shall serve for two years and  
16 the remaining three persons shall serve for  
17 one year, and in the event of ties, the  
18 terms of office shall be determined by lot.  
19 [Thereafter, succeeding directors shall be  
20 elected and] shall serve for a two-year term  
21 ending on the second Tuesday in  
22 January. . . .

23                           Revised Law

24           Sec. 7803.052. ELIGIBILITY FOR OFFICE. A director must own  
25 land in the district subject to taxation at the time the director  
26 qualifies for office. (Acts 62nd Leg., R.S., Ch. 135, Sec. 9  
27 (part).)

28                           Source Law

29           Sec. 9. . . . Each director shall own land  
30 within the district subject to taxation at the time of  
31 his qualification as a director, and . . . .

32                           Revised Law

33           Sec. 7803.053. DIRECTOR'S BOND. (a) Each director shall  
34 qualify by giving bond in the amount of \$5,000 for the faithful  
35 performance of the director's duties.

36           (b) The bond must be recorded in the official bond records  
37 in the office of the county clerk of Dallas County. (Acts 62nd  
38 Leg., R.S., Ch. 135, Sec. 9 (part).)

39                           Source Law

40           Sec. 9. . . . Each director . . . shall qualify

1 by subscribing to the constitutional oath of office  
2 and by giving bond in the amount of \$5,000 for the  
3 faithful performance of his duties. . . . [Such bond  
4 shall be approved by the Commissioners Court or the  
5 County Judge of Dallas County] . . . . All directors'  
6 bonds shall be recorded in the official bond records in  
7 the office of the County Clerk of said County. . . .

8 Revisor's Note

9 (1) Section 9, Chapter 135, Acts of the 62nd  
10 Legislature, Regular Session, 1971, provides that each  
11 director must qualify "by subscribing to the  
12 constitutional oath of office." The revised law omits  
13 that provision because Section 1, Article XVI, Texas  
14 Constitution, requires all officers to take the oath  
15 (or affirmation) before assuming office.

16 (2) Section 9, Chapter 135, Acts of the 62nd  
17 Legislature, Regular Session, 1971, provides that the  
18 district shall pay the cost of a director's bond. The  
19 revised law omits that provision because it  
20 duplicates, in substance, part of Section 49.055(c),  
21 Water Code. The omitted law reads:

22 Sec. 9. . . . The cost of such bond  
23 shall be paid by the district. . . .

24 (3) Section 9, Chapter 135, Acts of the 62nd  
25 Legislature, Regular Session, 1971, requires each  
26 director to give bond and provides that "[s]uch bond"  
27 shall be approved by the commissioners court or county  
28 judge of Dallas County and filed in the office of the  
29 county clerk of Dallas County. That section also  
30 provides that the bonds of directors elected or  
31 appointed after the initial directors shall be  
32 approved by the board. Because the provision requiring  
33 directors' bonds to be approved by the commissioners  
34 court or county judge and filed in the county clerk's  
35 office is followed by a provision requiring bonds of  
36 successor directors to be approved by the board, it  
37 appears from the context that the provision requiring  
38 directors' bonds to be approved by the commissioners

1 court or county judge and filed in the office of the  
2 county clerk applies only to the bond of an initial  
3 director. Accordingly, the revised law omits that  
4 provision as executed. The provision requiring that  
5 the bond be approved by the board is omitted because it  
6 duplicates, in substance, part of Section 49.055(c),  
7 Water Code. The omitted law reads:

8           Sec. 9. . . . Such bond shall be  
9 approved by the Commissioners Court or the  
10 County Judge of Dallas County, and shall be  
11 filed in the office of the County Clerk of  
12 said County. The bonds of subsequent  
13 directors, elected or appointed after the  
14 directors named below, shall be approved by  
15 the district's board of directors. . . .

16                           Revised Law

17           Sec. 7803.054. BOARD VACANCY. (a) Except as provided by  
18 Subsection (b), a vacancy on the board shall be filled by  
19 appointment to the unexpired term by the remaining directors.

20           (b) The City Council of the City of Irving shall appoint  
21 directors to fill all vacancies on the board if the number of  
22 qualified directors is less than four.

23           (c) If any director ceases to possess the qualifications  
24 prescribed by Section 7803.052, the remaining directors shall  
25 declare the person's office vacant and appoint a successor. (Acts  
26 62nd Leg., R.S., Ch. 135, Sec. 9 (part).)

27                           Source Law

28           Sec. 9. . . . If any director ceases to possess  
29 the qualifications prescribed herein, his office shall  
30 be declared vacant by the board of directors and his  
31 successor appointed by the remaining directors. . . .  
32 All vacancies in the office of director shall be filled  
33 by appointment to the unexpired term by the remaining  
34 directors; provided, however, if at any time the  
35 number of qualified directors shall be less than four  
36 because of the failure or refusal of one or more  
37 directors to qualify or serve or because of death or  
38 incapacity, or because of the failure to call and hold  
39 elections of directors as herein provided, or for any  
40 other reason, then the City Council of the City of  
41 Irving shall appoint directors to fill all vacancies  
42 on the board. . . .

43                           Revisor's Note

44           (1) Section 9, Chapter 135, Acts of the 62nd  
45 Legislature, Regular Session, 1971, refers to the

1 qualifications prescribed "herein." The revised law  
2 substitutes a reference to Section 7803.052 because  
3 the relevant provision of Section 9 is codified in that  
4 section of this chapter.

5 (2) Section 9, Chapter 135, Acts of the 62nd  
6 Legislature, Regular Session, 1971, provides that the  
7 City Council of the City of Irving shall fill vacancies  
8 on the board when there are fewer than four directors  
9 "because of the failure or refusal of one or more  
10 directors to qualify or serve or because of death or  
11 incapacity, or because of the failure to call and hold  
12 elections of directors as herein provided, or for any  
13 other reason." The revised law omits the quoted  
14 language because it merely describes every manner in  
15 which vacancies may occur without limiting in any way  
16 the city council's duty to fill the vacancies.

17 Revised Law

18 Sec. 7803.055. BOARD PRESIDENT; ABSENCE OF BOARD PRESIDENT.

19 (a) The board may authorize the president to sign all orders or take  
20 other action.

21 (b) Any order adopted or other action taken at a board  
22 meeting at which the president is absent may be signed by the vice  
23 president, or the board may authorize the president to sign the  
24 order or other action. (Acts 62nd Leg., R.S., Ch. 135, Sec. 9  
25 (part).)

26 Source Law

27 Sec. 9. . . . The president may be authorized by  
28 the board of directors to sign all orders or take other  
29 action. Any order adopted or other action taken at a  
30 meeting of the board of directors at which the  
31 president is absent may be signed by the vice  
32 president, or the board may authorize the president to  
33 sign such order or other action. . . .

34 Revised Law

35 Sec. 7803.056. SECRETARY'S DUTIES. The board secretary  
36 shall keep accurate minutes and may certify to any action the board  
37 takes. (Acts 62nd Leg., R.S., Ch. 135, Sec. 9 (part).)



1 higher fee. Accordingly, the revised law adds a  
2 reference to the board's authority to increase the fee  
3 under Section 49.060, Water Code.

4 (2) Section 9, Chapter 135, Acts of the 62nd  
5 Legislature, Regular Session, 1971, provides for  
6 reimbursement of a director's actual expenses. The  
7 revised law omits the provision because it is  
8 expressly superseded by Section 49.060, Water Code  
9 (enacted in 1995). The omitted law reads:

10 Sec. 9. . . . in addition, directors  
11 shall be reimbursed for actual expenses  
12 approved by the board of directors. . . .

13 Revised Law

14 Sec. 7803.059. DESIGNATION OF DIRECTOR TO ACT ON DISTRICT'S  
15 BEHALF. The board may designate one or more directors who, on  
16 behalf of the district, may execute all contracts, including a  
17 construction contract, sign checks, or handle any other matter  
18 entered into by the board as shown in the district's official  
19 minutes. (Acts 62nd Leg., R.S., Ch. 135, Sec. 9 (part).)

20 Source Law

21 Sec. 9. . . . provided, however, that the board  
22 of directors may designate that any one or more of  
23 them, on behalf of the district, may execute all  
24 contracts, construction or otherwise, sign checks, or  
25 handle any other matter entered into by the board of  
26 directors as shown in the official minutes of the  
27 district. . . .

28 Revised Law

29 Sec. 7803.060. DISTRICT OFFICE. (a) The board shall  
30 designate, establish, and maintain a district office inside the  
31 district.

32 (b) The board may establish a second district office outside  
33 the district. If the board establishes a second district office,  
34 the board shall give notice of the location of that office by  
35 publishing notice of the location of the office in a newspaper of  
36 general circulation in Dallas County.

37 (c) A district office that is a private residence or office  
38 is a public place for matters relating to the district's business.

1 (d) The board shall provide notice of any change in the  
2 location of the district office outside the district in the manner  
3 required by Subsection (b). (Acts 62nd Leg., R.S., Ch. 135, Sec.  
4 14.)

5 Source Law

6 Sec. 14. The board of directors shall  
7 designate, establish and maintain a district office  
8 within the district, and, in addition, may establish a  
9 second district office outside the district. Either or  
10 both district offices so established and maintained  
11 may be a private residence, office or dwelling, and  
12 such private residence, office or dwelling is hereby  
13 declared a public place for matters pertaining to the  
14 district's business. If the board of directors  
15 establishes a district office outside the district, it  
16 shall give notice of the location of that district  
17 office by publishing the location in a newspaper of  
18 general circulation in Dallas County. If the location  
19 of the district office outside the district is  
20 hereafter changed, notice of such change shall be  
21 given in the same manner.

22 Revisor's Note

23 Section 14, Chapter 135, Acts of the 62nd  
24 Legislature, Regular Session, 1971, refers to a  
25 "private residence" or "dwelling" used as a district  
26 office. The revised law omits the reference to  
27 "dwelling" because, in context, the meaning of that  
28 term is included in the meaning of "private  
29 residence."

30 Revised Law

31 Sec. 7803.061. RECORDS. The board shall keep and maintain  
32 complete and accurate accounts and records, which shall be kept at  
33 the district's principal office and be open to public inspection at  
34 reasonable times. (Acts 62nd Leg., R.S., Ch. 135, Sec. 9 (part).)

35 Source Law

36 Sec. 9. . . . The board shall keep and maintain  
37 complete and accurate accounts and records which shall  
38 be kept at the district's principal office and be open  
39 to public inspection at reasonable times.

40 Revisor's Note  
41 (End of Subchapter)

42 (1) Section 9, Chapter 135, Acts of the 62nd  
43 Legislature, Regular Session, 1971, provides that each  
44 director shall serve until the director's successor is

1 elected or appointed and qualified. The revised law  
2 omits that provision because Section 17, Article XVI,  
3 Texas Constitution, requires an officer in this state  
4 to continue to perform the officer's official duties  
5 until a successor has qualified. The omitted law  
6 reads:

7           Sec. 9. . . . Each director shall  
8           serve for his term of office as herein  
9           provided, and thereafter until his  
10           successor shall be elected or appointed and  
11           qualified. . . .

12           (2) Section 9, Chapter 135, Acts of the 62nd  
13           Legislature, Regular Session, 1971, names the members  
14           of the initial board, requires those initial directors  
15           to be fully qualified to serve before the board's first  
16           meeting, and describes their terms of office. Because  
17           the terms of the initial directors have expired, the  
18           revised law omits those provisions as executed. The  
19           omitted law reads:

20           Sec. 9. . . . Immediately after this  
21           Act becomes effective, the following named  
22           persons shall be the directors of the  
23           district and shall constitute the first  
24           board of directors of the district:

25           T. H. Callan  
26           Charles S. Dilbeck  
27           E. E. Farrow  
28           Ed M. Farrow  
29           Felix Lang  
30           J. B. Thomas  
31           J. C. White

32           Said persons shall file their bonds as soon  
33           as practicable after the effective date of  
34           this Act and shall otherwise be fully  
35           qualified to serve as directors prior to the  
36           first meeting of the board of directors.  
37           . . . The directors named above or their  
38           duly appointed successor or successors  
39           shall serve until the second Tuesday in  
40           January, 1973. . . .

41           (3) Section 9, Chapter 135, Acts of the 62nd  
42           Legislature, Regular Session, 1971, provides that four  
43           directors constitute a quorum and that a concurrence  
44           of four directors is necessary in all matters  
45           pertaining to the business of the district, including  
46           certain construction matters. The revised law omits

1 that provision because it duplicates, in substance,  
2 Section 49.053, Water Code. The omitted law reads:

3 Sec. 9. . . . Four directors shall  
4 constitute a quorum of any meeting, and a  
5 concurrence of four shall be necessary in  
6 all matters pertaining to the business of  
7 the district including the letting of  
8 construction contracts and the drawing of  
9 warrants in payment for construction work,  
10 the purchase of existing facilities, and  
11 matters relating to construction work;  
12 . . . .

13 (4) Section 9, Chapter 135, Acts of the 62nd  
14 Legislature, Regular Session, 1971, provides for the  
15 election of a board president, vice president, and  
16 secretary. The revised law omits that provision  
17 because it duplicates, in substance, part of Section  
18 49.054(a), Water Code. The omitted law reads:

19 Sec. 9. . . . The board of directors  
20 shall organize and elect a president, vice  
21 president and secretary. . . .

22 (5) Section 9, Chapter 135, Acts of the 62nd  
23 Legislature, Regular Session, 1971, requires the board  
24 to hold regular and special meetings at the times and  
25 on the dates determined by the board. The revised law  
26 omits that provision because it duplicates, in  
27 substance, part of Section 49.064, Water Code. The  
28 omitted law reads:

29 Sec. 9. . . . The board shall hold  
30 regular and special meetings at such times  
31 and on such dates as the board shall  
32 determine. . . .

33 [Sections 7803.062-7803.100 reserved for expansion]

34 SUBCHAPTER C. POWERS AND DUTIES

35 Revised Law

36 Sec. 7803.101. LEVEE IMPROVEMENT DISTRICT POWERS. (a) The  
37 district has the rights, powers, privileges, and functions  
38 applicable to a levee improvement district created under the  
39 authority of Section 59, Article XVI, Texas Constitution, including  
40 those conferred by Chapters 49 and 57, Water Code.

41 (b) The district has the power to construct and maintain

1 levees and other improvements on, along, and contiguous to rivers,  
2 creeks, streams, and drainage courses for the purposes of:

3 (1) reclaiming land from overflow from the water;

4 (2) controlling and distributing the water of rivers  
5 and streams by straightening and otherwise improving the rivers and  
6 streams;

7 (3) draining the land properly and otherwise improving  
8 the land; and

9 (4) preventing the pollution of the water.

10 (c) In the accomplishment of the district's purposes, the  
11 district may issue bonds, enter into contracts, or incur debt in the  
12 manner prescribed by this chapter. (Acts 62nd Leg., R.S., Ch. 135,  
13 Sec. 5(part); New.)

14 Source Law

15 Sec. 5. District shall have and exercise, and is  
16 hereby vested with, the power to construct and  
17 maintain levees and other improvements on, along and  
18 contiguous to rivers, creeks, streams, drainage  
19 courses, and for the purposes of reclaiming land from  
20 overflow from such waters, for controlling and  
21 distributing the waters of rivers and streams by  
22 straightening and otherwise improving same, and for  
23 the proper draining and otherwise improving the land  
24 and for preventing pollution of said waters. . . .

25 In addition, district is authorized to exercise  
26 all rights, powers, privileges and functions now in  
27 force or hereafter enacted applicable to levee  
28 improvement districts created under authority of  
29 Article XVI, Section 59, Constitution of Texas,  
30 including without limitation those conferred by  
31 Chapter 6, Title 128, Vernon's Texas Civil Statutes, as  
32 amended; but . . . .

33 In the accomplishment of all such purposes,  
34 district may or may not issue bonds, enter into  
35 contracts or incur indebtedness in the manner and  
36 under the provisions hereinafter prescribed.

37 Revisor's Note

38 (1) Section 5, Chapter 135, Acts of the 62nd  
39 Legislature, Regular Session, 1971, provides that the  
40 district "shall have and exercise, and is hereby  
41 vested with" certain powers. The revised law  
42 substitutes "has" for the quoted language because, in  
43 context, the terms are synonymous and "has" is more  
44 commonly used.

45 (2) Section 5, Chapter 135, Acts of the 62nd

1 Legislature, Regular Session, 1971, provides that the  
2 district may build and carry out certain works and  
3 improvements and may enter into contracts and employ  
4 persons as necessary to accomplish those purposes. The  
5 revised law omits the provision because it duplicates,  
6 in substance, Section 57.092, Water Code. Throughout  
7 this chapter, the revised law omits law that  
8 duplicates law contained in Chapter 57, Water Code,  
9 which applies to the district under Section 7803.101  
10 of this chapter. The omitted law reads:

11           Sec. 5. . . . District shall have  
12 full power and authority to build,  
13 construct, complete, carry out, maintain,  
14 protect and, in case of necessity, add to  
15 and rebuild all works and improvements  
16 within its area necessary or proper fully to  
17 accomplish any plan of reclamation lawfully  
18 adopted for or on behalf of district, and  
19 may make all necessary and proper contracts  
20 and employ all persons and means necessary  
21 or proper to that end.  
22           . . .

23           (3) Section 5, Chapter 135, Acts of the 62nd  
24 Legislature, Regular Session, 1971, states that the  
25 district has the rights, powers, privileges, and  
26 functions "now in force or hereafter enacted" that are  
27 applicable to levee improvement districts. The revised  
28 law omits the quoted language because it duplicates  
29 accepted general principles of statutory  
30 construction. "[R]ights, powers, privileges and  
31 functions . . . applicable to levee improvement  
32 districts" means those rights, powers, privileges, and  
33 functions "in force" at the time the provision was  
34 adopted. It is unnecessary to state that the district  
35 may be granted additional powers by later enacted laws  
36 because those laws apply on their own terms.

37           (4) Section 5, Chapter 135, Acts of the 62nd  
38 Legislature, Regular Session, 1971, grants the  
39 district certain powers "including without  
40 limitation" the enumerated powers. The revised law

1 omits "without limitation" because Section  
2 311.005(13), Government Code (Code Construction Act),  
3 provides that "including" is a term of enlargement and  
4 not of limitation and does not create a presumption  
5 that components not expressed are excluded.

6 (5) Section 5, Chapter 135, Acts of the 62nd  
7 Legislature, Regular Session, 1971, provides that the  
8 district has the powers conferred by "Chapter 6, Title  
9 128, Vernon's Texas Civil Statutes, as amended." That  
10 statute was codified in 1971 as Chapter 57, Water Code.  
11 The revised law is drafted accordingly.

12 The revised law omits "as amended" because, under  
13 Section 311.027, Government Code (Code Construction  
14 Act), a reference to a statute applies to all  
15 reenactments, revisions, or amendments of that  
16 statute, unless expressly provided otherwise. Similar  
17 changes are made throughout the revised law.

18 (6) Section 5, Chapter 135, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to the  
20 general laws applicable to levee improvement  
21 districts. For the reader's convenience, the revised  
22 law adds a reference to Chapter 49, Water Code,  
23 generally applicable under Sections 49.001 and 49.002  
24 of that chapter to districts created under Section 59,  
25 Article XVI, Texas Constitution.

26 Revised Law

27 Sec. 7803.102. ANNEXATION OF LAND. (a) The district may  
28 annex land in the manner provided by Subchapter J, Chapter 49, or  
29 Subchapter O, Chapter 51, Water Code, to the extent applicable.

30 (b) If land is annexed by the district under Section 49.301  
31 or 51.714, Water Code, the board may require the petitioners to:

32 (1) allow the land to be added to assume its pro rata  
33 share of taxes necessary to support the voted but unissued bonds of  
34 the district; and



1 certain manner. The revised law omits "added to"  
2 because, in context, "added to" is included in the  
3 meaning of "annexed to."

4 (2) Section 18, Chapter 135, Acts of the 62nd  
5 Legislature, Regular Session, 1971, provides that the  
6 district may annex land in the manner "now or hereafter  
7 provided by Chapter 3A, Title 128, Vernon's Texas Civil  
8 Statutes, as amended." The revised law omits "now or  
9 hereafter" for the reason stated in Revisor's Note (3)  
10 to Section 7803.101. The revised law substitutes for  
11 the reference to Chapter 3A, Title 128, Vernon's Texas  
12 Civil Statutes, a reference to Subchapter J, Chapter  
13 49, and Subchapter O, Chapter 51, Water Code. The  
14 relevant provisions of Chapter 3A, Title 128, Vernon's  
15 Texas Civil Statutes, were codified by Chapter 58,  
16 Acts of the 62nd Legislature, Regular Session, 1971,  
17 as Subchapter O, Chapter 51, Water Code. Chapter 715,  
18 Acts of the 74th Legislature, Regular Session, 1995,  
19 repealed some of the relevant provisions of Subchapter  
20 O, Chapter 51, Water Code, and enacted Subchapter J,  
21 Chapter 49, Water Code, to govern the addition of land  
22 to certain water districts. The revised law is drafted  
23 accordingly.

24 The revised law also omits "as amended" for the  
25 reason stated in Revisor's Note (5) to Section  
26 7803.101.

27 (3) Section 18, Chapter 135, Acts of the 62nd  
28 Legislature, Regular Session, 1971, refers to Article  
29 7880-75, Vernon's Texas Civil Statutes. Article  
30 7880-75 was codified by Chapter 58, Acts of the 62nd  
31 Legislature, Regular Session, 1971, as Sections  
32 51.714-51.717, Water Code, relating to the addition of  
33 land to a water control and improvement district by the  
34 petition of the landowner. Chapter 778, Acts of the

1 74th Legislature, Regular Session, 1995, amended  
2 Section 51.714, Water Code. Without reference to that  
3 amendment, Chapter 715, Acts of the 74th Legislature,  
4 Regular Session, 1995, repealed Sections  
5 51.714-51.717, Water Code, and enacted Section 49.301,  
6 Water Code, to govern the addition of land to certain  
7 districts by the petition of the landowner. The  
8 revised law is drafted accordingly.

9 (4) Section 18, Chapter 135, Acts of the 62nd  
10 Legislature, Regular Session, 1971, refers to Article  
11 7880-75(b), Vernon's Texas Civil Statutes, meaning  
12 Article 7880-75b, Vernon's Texas Civil Statutes.  
13 Article 7880-75b was codified by Chapter 58, Acts of  
14 the 62nd Legislature, Regular Session, 1971, as  
15 Sections 51.718-51.724, Water Code, relating to the  
16 addition of land to a water control and improvement  
17 district by the petition of less than all the  
18 landowners. Chapter 715, Acts of the 74th  
19 Legislature, Regular Session, 1995, repealed Sections  
20 51.718-51.724, Water Code, and enacted Section 49.302,  
21 Water Code, to govern the addition of land to certain  
22 districts by the petition of less than all the  
23 landowners. The revised law is drafted accordingly.

24 (5) Section 18, Chapter 135, Acts of the 62nd  
25 Legislature, Regular Session, 1971, refers to  
26 "property taxpaying voters." The revised law omits the  
27 reference to "property taxpaying" because in Hill v.  
28 Stone, 421 U.S. 289 (1975), the United States Supreme  
29 Court determined that property ownership as a  
30 qualification for voting is an unconstitutional denial  
31 of equal protection.

32 Revised Law

33 Sec. 7803.103. EMINENT DOMAIN. (a) The district may  
34 exercise the power of eminent domain in Dallas County to acquire the

1 fee simple title to or an easement or right-of-way to, over, or  
2 through any private or public land, water, or land under water that  
3 is in the district, borders the district, is adjacent or opposite to  
4 the district, or is outside of the district if the property has a  
5 direct effect on the accomplishment of the purposes for which the  
6 district is created and is necessary for making, constructing, and  
7 maintaining all levees and other improvements for the improvement  
8 of rivers, creeks, streams, or drainage courses in the district or  
9 bordering the district to prevent the overflow of water.

10 (b) The district may not exercise the power of eminent  
11 domain under Subsection (a) to acquire land or other property that  
12 is used for cemetery purposes.

13 (c) The district shall pay adequate compensation to the  
14 owner of property that is taken, damaged, or destroyed for the  
15 purposes described by Subsection (a).

16 (d) A condemnation proceeding must be brought in the name of  
17 the district. (Acts 62nd Leg., R.S., Ch. 135, Sec. 6 (part).)

18 Source Law

19 Sec. 6. The right of eminent domain within  
20 Dallas County, Texas, is hereby expressly conferred  
21 upon district to enable it to acquire the fee simple  
22 title, easement of right-of-way to, over and through  
23 any and all lands, water, or lands under water, private  
24 or public (except land and property used for cemetery  
25 purposes), within, bordering upon, adjacent or  
26 opposite to district, or outside of the district  
27 having a direct effect on the accomplishment of the  
28 purposes for which the district is created, necessary  
29 for making, constructing and maintaining all levees  
30 and other improvements for the improvement of rivers,  
31 creeks, streams or drainage courses within or  
32 bordering upon district to prevent overflows thereof.

33 Adequate compensation shall be made to the owners  
34 of any property so taken, damaged or destroyed for such  
35 purposes. The district shall have the power to acquire  
36 any such property for any such purposes by  
37 condemnation proceedings brought in the name of the  
38 district.

39 . . .

40 Revisor's Note

41 (1) Section 6, Chapter 135, Acts of the 62nd  
42 Legislature, Regular Session, 1971, provides that the  
43 "right of eminent domain . . . is hereby expressly  
44 conferred upon district to enable it to acquire

1 [certain property]." The revised law substitutes for  
2 the quoted language "[t]he district may exercise the  
3 power of eminent domain . . . to acquire [certain  
4 property]" because the phrases have the same meaning  
5 and the revised phrase is consistent with modern usage  
6 in laws relating to eminent domain.

7 (2) Section 6, Chapter 135, Acts of the 62nd  
8 Legislature, Regular Session, 1971, refers to an  
9 "easement of right-of-way." The revised law  
10 substitutes "easement or right-of-way" for "easement  
11 of right-of-way" because it is clear from the context  
12 that "of" is a typographical error and that the  
13 legislature intended to use the phrase "easement or  
14 right-of-way."

15 Revised Law

16 Sec. 7803.104. COST OF RELOCATING OR ALTERING PROPERTY.

17 (a) In this section, "sole expense" means the actual cost of:

18 (1) relocating, raising, rerouting, changing the  
19 grade of, or altering the construction of a facility described by  
20 Subsection (b); and

21 (2) providing comparable replacement without  
22 enhancement of the facility, after deducting from that cost the net  
23 salvage value of the old facility.

24 (b) If the district's exercise of its power of eminent  
25 domain, power of relocation, or any other power makes necessary the  
26 relocation, raising, rerouting, changing the grade, or alteration  
27 of the construction of a highway, a railroad, an electric  
28 transmission line, a telephone or telegraph property or facility,  
29 or a pipeline, the necessary action shall be accomplished at the  
30 sole expense of the district unless the owner of the relocated or  
31 altered facility has a legal obligation to pay those expenses, in  
32 which event the necessary action shall be accomplished at the  
33 expense of the owner. (Acts 62nd Leg., R.S., Ch. 135, Sec. 6  
34 (part).)

1 Source Law

2 Sec. 6. . . .

3 In the event that district, in the exercise of the  
4 power of eminent domain or power of relocation, or any  
5 other power, makes necessary the relocation, raising,  
6 rerouting or changing the grade of, or altering the  
7 construction of, any highway, railroad, electric  
8 transmission line, telephone or telegraph properties  
9 and facilities, or pipeline, all such necessary  
10 relocation, raising, rerouting, changing the grade or  
11 alteration of construction shall be accomplished at  
12 the sole expense of the district unless the owner of  
13 the facility relocated or altered has an existing  
14 legal obligation to pay such expenses, in which event  
15 it shall be accomplished at the expense of the owner.  
16 The term "sole expense" shall mean the actual cost of  
17 such relocation, raising, rerouting, or changing the  
18 grade or alteration of construction and providing  
19 comparable replacement without enhancing such  
20 facilities after deducting therefrom the net salvage  
21 value derived from the old facility.

22 Revised Law

23 Sec. 7803.105. CONTRACTS FOR FACILITIES AND IMPROVEMENTS;  
24 ELECTION NOT REQUIRED. (a) The district may enter into a contract  
25 with the United States, the City of Irving, another public body, or  
26 an individual, corporation, or other entity for the maintenance or  
27 construction of any facility or improvement authorized by this  
28 chapter.

29 (b) The district may enter into a contract under Subsection  
30 (a) without:

31 (1) voting for the issuance of bonds; or

32 (2) holding an election to approve the contract.

33 (Acts 62nd Leg., R.S., Ch. 135, Sec. 12.)

34 Source Law

35 Sec. 12. The district may enter into contracts  
36 with the United States of America or any of its  
37 agencies, with the City of Irving, with individuals,  
38 corporations, public bodies or any other entity for  
39 the maintenance of or construction of any facility or  
40 improvement authorized herein without the necessity of  
41 bonds being voted and no election shall be required of  
42 the district to approve said contracts.

43 Revisor's Note

44 Section 12, Chapter 135, Acts of the 62nd  
45 Legislature, Regular Session, 1971, refers to the  
46 "United States of America or any of its agencies." The  
47 revised law omits the reference to "agencies" because

1 under Section 311.005(9), Government Code (Code  
2 Construction Act), "United States" includes an agency  
3 of the United States.

4 Revised Law

5 Sec. 7803.106. CONTRACTS OVER \$25,000. (a) A contract  
6 involving an expenditure of more than \$25,000 for the construction  
7 of a district facility or improvement or for the purchase of  
8 machinery, materials, or supplies for the district must be entered  
9 into by the board in accordance with this section.

10 (b) Not later than the 14th day before the date sealed bids  
11 are opened, the letting of a contract described by Subsection (a)  
12 must be advertised by publishing notice one time in one or more  
13 newspapers having general circulation in this state. The notice  
14 must include the general conditions of the contract and the date,  
15 time, and place of the opening of the sealed bids.

16 (c) A person who desires to bid on the construction of any  
17 works advertised in the notice under Subsection (b) and submits a  
18 written application to the board or the district's engineer shall  
19 be provided with a copy of the plans and specifications showing the  
20 work to be done. A fee may be charged to cover the cost of making  
21 the copy.

22 (d) A bid must be in writing, sealed, and delivered to the  
23 board and be accompanied by a certified or cashier's check or  
24 bidder's bond for at least five percent of the total amount of the  
25 bid.

26 (e) A successful bidder who fails or refuses to enter into a  
27 proper contract or to furnish proper performance and payment bonds  
28 for the contract forfeits to the district the amount of the check  
29 delivered under Subsection (d).

30 (f) All bids must be opened at the same time.

31 (g) The board may reject any or all bids. (Acts 62nd Leg.,  
32 R.S., Ch. 135, Sec. 15 (part).)

33 Source Law

34 Sec. 15. Contracts involving an expenditure of  
35 more than \$25,000 for the construction of any district

1 facilities or improvements or for the purchase of any  
2 machinery, materials or supplies for the district,  
3 shall be made by the directors of the district as  
4 hereinafter specified. The letting of such contracts  
5 shall be advertised as to the general conditions,  
6 date, time and place of opening of sealed bids, by  
7 publishing notice thereof in one or more newspapers  
8 having general circulation in the state. Such notice  
9 shall be published one time not less than 14 days prior  
10 to the opening of sealed bids. . . .

11 Anyone desiring to bid on the construction of any  
12 works advertised as herein provided, upon written  
13 application to the directors or the district's  
14 engineer, shall be furnished with a copy of the plans  
15 and specifications showing the work to be done,  
16 provided a charge may be made therefor to cover the  
17 cost of making same. All bids to do any such work shall  
18 be in writing and sealed and delivered to the board and  
19 shall be accompanied by a certified or cashier's check  
20 or bidder's bond for not less than five percent of the  
21 total amount bid, and the amount of said check shall be  
22 forfeited to the district in the event such successful  
23 bidder shall fail or refuse to enter into a proper  
24 contract therefor or shall fail or refuse to furnish  
25 proper performance and payment bonds therefor. All  
26 bids shall be opened at the same time and any or all  
27 bids may be rejected by the directors. . . .

28 Revisor's Note

29 (1) Section 15, Chapter 135, Acts of the 62nd  
30 Legislature, Regular Session, 1971, provides that the  
31 district may award contracts for all or any part of the  
32 improvements proposed by the district. The revised  
33 law omits this provision because it duplicates, in  
34 substance, part of Section 49.273(b), Water Code. The  
35 omitted law reads:

36 Sec. 15. . . . Contracts may be let  
37 to cover all or any part of the improvements  
38 proposed to be provided by the district.  
39 . . .

40 (2) Section 15, Chapter 135, Acts of the 62nd  
41 Legislature, Regular Session, 1971, provides for the  
42 manner of payment under a contract with the district.  
43 The revised law omits this provision because it  
44 duplicates, in substance, Section 49.273(c), Water  
45 Code. The omitted law reads:

46 Sec. 15. . . . Such contracts may  
47 provide for the payment of a total sum to be  
48 the completed cost of such improvements, or  
49 may be based on bids to cover costs of units  
50 of the various elements entering into the  
51 works, as estimated, and approximately  
52 specified by, the district's engineers; or  
53 such contracts may be let and awarded in any

1 other form or composite of forms and to such  
2 responsible person or persons as will in the  
3 judgment of the district's directors be most  
4 advantageous to the district and result in  
5 the best and most economical completion of  
6 the district's proposed plant,  
7 improvements, facilities and works.  
8 . . .

9 (3) Section 15, Chapter 135, Acts of the 62nd  
10 Legislature, Regular Session, 1971, requires a person  
11 to whom the district awards certain contracts to give  
12 performance and payment bonds in accordance with  
13 Article 5160, Vernon's Texas Civil Statutes, as  
14 amended. The revised law omits this reference because  
15 Article 5160 was codified as Chapter 2253, Government  
16 Code, and that chapter applies to levee improvement  
17 districts on its own terms. Additionally, this  
18 requirement duplicates, in substance, part of Section  
19 49.275, Water Code. The omitted law reads:

20 Sec. 15. . . . Any person, firm,  
21 partnership or corporation to whom such  
22 contract is let must give good and  
23 sufficient performance and payment bonds in  
24 accordance with Article 5160, Vernon's  
25 Texas Civil Statutes, as amended.  
26 . . .

27 Revised Law

28 Sec. 7803.107. CONSTRUCTION CONTRACTS: EXECUTION AND  
29 AVAILABILITY. (a) A construction contract must be in writing and  
30 signed by the contractor and:

- 31 (1) the president and secretary of the board; or  
32 (2) a majority of the directors.

33 (b) A copy of each construction contract shall be kept in  
34 the district's records and be subject to public inspection.

35 (c) A construction contract must contain or have attached to  
36 it the specifications for all work included in the contract. (Acts  
37 62nd Leg., R.S., Ch. 135, Sec. 15 (part).)

38 Source Law

39 Sec. 15. . . .  
40 All construction contracts shall be in writing  
41 and be signed by the contractor and the president and  
42 secretary of the board of directors, or by a majority  
43 of the directors. One copy of same shall be kept in the  
44 district records and be subject to public inspection.

1 All such contracts shall contain or have attached  
2 thereto the specifications for all work included in  
3 the contract. . . .

4 Revised Law

5 Sec. 7803.108. CONSTRUCTION CONTRACTS: PAYMENT. (a) A  
6 construction contract may be paid for in partial payments as the  
7 work progresses, based on estimates approved by the district's  
8 engineer.

9 (b) The payments may not exceed 90 percent of the amount due  
10 at the time of the payments as shown by the approved estimates,  
11 except that the final approved estimate, including all prior  
12 retainage, must be paid in full. (Acts 62nd Leg., R.S., Ch. 135,  
13 Sec. 15 (part).)

14 Source Law

15 Sec. 15. . . . Such construction contract may  
16 be paid for in partial payments as the work progresses,  
17 based upon estimates approved by the district's  
18 engineer, but such payments shall not exceed 90  
19 percent of the amount due at the time of such payments  
20 as shown by said approved estimates, other than for the  
21 final approved estimate including all prior retainage,  
22 which shall be paid in full.

23 Revised Law

24 Sec. 7803.109. FLOOD HAZARD AREAS. (a) The board by  
25 resolution shall designate flood hazard areas in the district if  
26 the board finds that the public health, safety, and general  
27 welfare, and the purposes of Section 59, Article XVI, Texas  
28 Constitution, will be promoted by the designation.

29 (b) The resolution must contain field notes, a map, or both  
30 field notes and a map that describe the area to be included in a  
31 flood hazard area.

32 (c) Before passing a resolution designating a flood hazard  
33 area, the board shall hold at least one public hearing related to  
34 the designation. The board must publish notice of the time and place  
35 of the hearing in English in a newspaper having general circulation  
36 in Dallas County at least 15 days before the date of the hearing. A  
37 hearing may be continued from time to time until the board  
38 determines that all interested persons have had an opportunity to  
39 be heard.

1 (d) The board by resolution may, following notice and a  
2 hearing as required by Subsection (c), amend the designated flood  
3 hazard areas as the board determines necessary. (Acts 62nd Leg.,  
4 R.S., Ch. 135, Secs. 20, 21.)

5 Source Law

6 Sec. 20. Whenever the governing body of the  
7 district deems that the public health, safety and  
8 general welfare, and the purposes of Section 59 of  
9 Article XVI of the Constitution of the State of Texas,  
10 as amended, will be promoted thereby, it shall, by  
11 resolution, designate flood hazard areas. Such  
12 resolution or resolutions shall contain a description  
13 of the area included within such flood hazard areas by  
14 either field notes or by map or by both. The governing  
15 body of the district is further authorized to change  
16 and amend by resolution the designation of such flood  
17 hazard areas thereafter as in its discretion it may  
18 determine necessary.

19 Sec. 21. Before passing any resolution  
20 designating flood hazard areas within the boundaries  
21 of the district, the governing body of the district  
22 shall hold at least one public hearing related thereto  
23 after having given at least fifteen (15) days notice of  
24 the time and place of such hearing by the publication  
25 thereof in the English language in a newspaper having  
26 general circulation in Dallas County. Any hearing so  
27 set by the governing body of the district may be  
28 continued from time to time until within the  
29 discretion of said governing body all interested  
30 persons shall have had an opportunity to be heard.  
31 After the governing body of the district has heard all  
32 interested persons and shall have found that the  
33 designation of such flood hazard areas is for the  
34 public health, safety and general welfare of the  
35 district, and for the accomplishment of the purposes  
36 of Section 59 of Article XVI of the Constitution of the  
37 State of Texas, as amended, said governing body shall  
38 pass its resolution designating such flood hazard  
39 areas. Thereafter the governing body of the district  
40 may, upon public hearing with like notice thereof,  
41 change and amend the designated flood hazard areas so  
42 established as in its discretion it may determine  
43 necessary.

44 Revisor's Note

45 Section 21, Chapter 135, Acts of the 62nd  
46 Legislature, Regular Session, 1971, provides that the  
47 board may "change and amend" the designated flood  
48 hazard areas. The revised law omits "change" because,  
49 in context, "change" is included in the meaning of  
50 "amend."

51 Revised Law

52 Sec. 7803.110. SETBACK LINES: RESOLUTION, NOTICE, AND  
53 HEARING. (a) The board may establish and maintain building setback

1 lines along any waterway in the district for the purpose of  
2 promoting the public health, safety, and general welfare and  
3 accomplishing the purposes of Section 59, Article XVI, Texas  
4 Constitution.

5 (b) Building setback lines may be established only after  
6 notice and hearing. The notice must be published in a newspaper of  
7 general circulation in Dallas County not earlier than the 60th day  
8 or later than the 15th day before the date of the hearing. Each  
9 affected landowner must be given actual notice by certified mail of  
10 the hearing.

11 (c) The board by resolution shall adopt building setback  
12 lines if, after the hearing is completed, the board finds that the  
13 establishment of building setback lines is for the public health,  
14 safety, and general welfare of the people in the district and for  
15 the accomplishment of the purposes of Section 59, Article XVI,  
16 Texas Constitution. The resolution must contain a description of  
17 the area included in the building setback lines by field notes, a  
18 map or plat, or both. A certified copy of the resolution shall be  
19 filed for record immediately with the county clerk of Dallas  
20 County. On the filing of the resolution, all persons are charged  
21 with notice of the requirements of the resolution.

22 (d) The board may, on public hearing after notice as  
23 provided by Subsection (b), amend, supplement, or grant an  
24 exception to building setback lines as determined necessary. (Acts  
25 62nd Leg., R.S., Ch. 135, Sec. 19 (part).)

26 Source Law

27 Sec. 19. For the purpose of promoting the public  
28 health, safety and general welfare and accomplishing  
29 the purposes of Section 59 of Article XVI of the  
30 Constitution of the State of Texas, as amended, the  
31 governing body of the district is hereby authorized  
32 and empowered to establish and maintain building  
33 setback lines along any waterway within the boundaries  
34 of the district. The establishment or alteration of  
35 building setback lines shall be done only after notice  
36 and hearing. Notice shall be given by publication  
37 thereof in a newspaper of general circulation in  
38 Dallas County not less than fifteen (15) days prior to  
39 the time of hearing nor more than sixty (60) days prior  
40 thereto. Each landowner affected shall be given actual  
41 notice by certified mail of such hearing.

42 After the governing body of the district has

1 completed such hearings and shall have found that the  
2 establishing of such building setback lines is for the  
3 public health, safety and general welfare of the  
4 people within the district, and for the accomplishment  
5 of the purposes of Section 59 of Article XVI of the  
6 Constitution of the State of Texas, as amended, said  
7 governing body shall pass its resolution adopting such  
8 building setback lines. Such resolution shall contain  
9 a description of the area included within such  
10 building setback lines by either field notes or by map  
11 or plat or by both, and a certified copy thereof shall  
12 be filed for record immediately with the County Clerk  
13 of Dallas County. Thereafter the governing body of the  
14 district may, upon public hearing with like notice  
15 thereof, amend, supplement, grant exceptions thereto,  
16 or alter the building setback lines so established as  
17 may be determined necessary. Upon the filing of the  
18 aforesaid resolution containing the full description  
19 of the area within such building setback lines, all  
20 persons shall be charged with notice of the  
21 requirements of such resolution; and, . . . .

22 Revisor's Note

23 Section 19, Chapter 135, Acts of the 62nd  
24 Legislature, Regular Session, 1971, provides that the  
25 board may "amend . . . or alter" the building setback  
26 lines. The revised law omits "alter" because, in  
27 context, "alter" is included in the meaning of  
28 "amend."

29 Revised Law

30 Sec. 7803.111. SETBACK LINES: EFFECT ON LANDOWNERS. (a)  
31 Except as otherwise provided by this section, after the  
32 establishment of building setback lines under Section 7803.110, a  
33 structure may not be erected within the setback lines.

34 (b) A person intending to erect a structure within building  
35 setback lines must give written notice of the intention by  
36 certified mail not later than the 90th day before the date the  
37 person begins erecting the structure.

38 (c) Provided that the landowner was given actual notice by  
39 certified mail of the hearing to establish the setback lines, a  
40 person's failure to give notice under Subsection (b) constitutes a  
41 prima facie showing in any subsequent eminent domain proceeding  
42 instituted by the district to acquire the area within the setback  
43 lines that the person erecting the structure did so at the person's  
44 own risk with knowledge of:

45 (1) the fact that erecting the structure interfered

1 with the district's setback provisions; and

2 (2) the district's right to remove the structure  
3 erected after the establishment of the setback lines without  
4 recovery of the value of the structure.

5 (d) If the district does not institute an eminent domain  
6 proceeding to acquire an area within building setback lines within  
7 90 days after the date notice is mailed under Subsection (b), the  
8 setback lines may not affect damages in the eminent domain  
9 proceeding and the damages must be determined and paid as if the  
10 setback lines had not been established.

11 (e) An owner who believes that a structure the owner is  
12 about to erect may be within the required setback area by certified  
13 letter may petition the district to survey and mark the building  
14 setback lines on the ground. If the district fails within 90 days  
15 to make the requested survey and mark the location of the setback  
16 lines on the ground or to show the location of the setback lines in  
17 another reasonable manner, the owner may erect the structure in the  
18 same manner and with the same results as if setback lines had not  
19 been established. (Acts 62nd Leg., R.S., Ch. 135, Sec. 19 (part).)

20 Source Law

21 Sec. 19. . . . after the establishment of such  
22 building setback lines, no structure shall be erected  
23 within said lines so established, subject to the  
24 following provisions: Any person desiring to erect any  
25 structure within said lines so established shall give  
26 written notice of such intention by certified mail,  
27 not less than ninety (90) days before he commences such  
28 erection. Failure to give such notice shall constitute  
29 a prima facie showing (in any eminent domain  
30 proceeding thereafter instituted by the district to  
31 acquire the area within said building lines) that the  
32 person erecting the structure did so at his own risk  
33 with knowledge of the fact that the same interfered  
34 with setback provisions of the district and with the  
35 right of said district to remove such erection without  
36 recovery of the value of such erection done after the  
37 establishment of the setback line; provided actual  
38 notice had been given to the landowner by certified  
39 mail. If eminent domain proceedings are not instituted  
40 within ninety (90) days after written notice of the  
41 intention to so erect any structure has been mailed by  
42 certified mail, the building lines as established  
43 shall not affect damages to be paid in eminent domain  
44 proceeding thereafter instituted to acquire said area  
45 within said building lines but such damages shall be  
46 determined and paid as though such building lines had  
47 not been established. If any owner affected by setback  
48 lines be in doubt as to the location of said setback

1 lines at the time he is about to erect any structure  
2 which he believes may be within the required setback  
3 area, he may petition the district to survey and mark  
4 upon the grounds the location of said setback lines by  
5 sending the said district a certified letter and, if  
6 said district shall fail to make such survey and so  
7 mark the setback line upon the ground or show the  
8 location of the same in a reasonable manner within  
9 ninety (90) days, such erection may be made in the same  
10 manner and with the same results as if no setback line  
11 had been established.  
12 . . .

13 Revisor's Note

14 Section 19, Chapter 135, Acts of the 62nd  
15 Legislature, Regular Session, 1971, refers to "actual  
16 notice . . . by certified mail." For clarity and the  
17 convenience of the reader, the revised law adds to the  
18 quoted language a reference to the hearing described  
19 by Section 7803.110.

20 Revised Law

21 Sec. 7803.112. LEGISLATIVE INTENT. Sections 7803.110 and  
22 7803.111 are intended to give the board the right to protect from  
23 encroachment those areas that need to be protected from  
24 encroachment for such immediate and future drainage and flood  
25 control right-of-way requirements in the district as it may be  
26 necessary, or in the public interest to protect or promote the  
27 public health, safety, and general welfare. (Acts 62nd Leg., R.S.,  
28 Ch. 135, Sec. 19 (part).)

29 Source Law

30 Sec. 19. . . .  
31 It is the intention of this section to give the  
32 governing body of the district the right to protect  
33 from encroachment those areas which need to be  
34 protected from encroachment for such immediate and  
35 future drainage and flood control right-of-way  
36 requirements within the district as it may be  
37 necessary, or in the public interest to protect or  
38 promote the public health, safety and general welfare.

39 Revised Law

40 Sec. 7803.113. NOTICE OF DISTRICT ELECTIONS. Notice of a  
41 district election must be published once in a newspaper with  
42 general circulation in Dallas County and in the district at least 20  
43 days before the date of the election. (Acts 62nd Leg., R.S., Ch.  
44 135, Sec. 10 (part).)



1 Revised Law

2 Sec. 7803.152. ASSESSMENT AND COLLECTION OF TAXES. (a) The  
3 tax assessor and collector for the City of Irving shall assess and  
4 collect taxes for the district.

5 (b) The tax assessor and collector shall make the records  
6 maintained by the tax assessor and collector available to the  
7 district on request by the secretary of the district. (Acts 62nd  
8 Leg., R.S., Ch. 135, Sec. 16 (part).)

9 Source Law

10 Sec. 16. . . . [City of Irving, Texas,] . . .  
11 the assessment and collection of taxes of the district  
12 hereby created shall be made by the tax assessor and  
13 collector of said city, and . . . it shall be the duty  
14 of said tax assessor and collector to cause said taxes  
15 to be assessed and collected. . . . Such other records  
16 as are maintained by the tax assessor and collector,  
17 . . . shall be made available to the district upon  
18 request by the secretary thereof.

19 . . .

20 Revisor's Note

21 Section 16, Chapter 135, Acts of the 62nd  
22 Legislature, Regular Session, 1971, requires records  
23 maintained by the tax assessor and collector to be  
24 preserved in accordance with the requirements  
25 applicable to those records. The revised law omits the  
26 provision because Subtitle C, Title 6, Local  
27 Government Code, applies to the maintenance of records  
28 by the tax assessor and collector without a statement  
29 to that effect. The omitted law reads:

30 Sec. 16. . . . [Such other records as  
31 are maintained by the tax assessor and  
32 collector,] including minutes of the City  
33 of Irving Board of Equalization, all  
34 renditions, protests and other papers filed  
35 in connection with the rendition of  
36 property and the preparation of the roles,  
37 shall be preserved in accordance with the  
38 requirements otherwise applicable to such  
39 records and . . . .

40 Revised Law

41 Sec. 7803.153. CERTIFICATION OF TAX RATE. Each year, the  
42 board shall certify to the tax assessor and collector for the City  
43 of Irving the rate or rates of tax that the board has imposed for

1 bond and maintenance purposes. (Acts 62nd Leg., R.S., Ch. 135, Sec.  
2 16 (part).)

3 Source Law

4 Sec. 16. . . . Each year, the board of directors  
5 of the district shall certify to the City of Irving Tax  
6 Assessor and Collector the rate or rates of tax which  
7 the board has levied for bond and maintenance  
8 purposes, and . . . .

9 Revised Law

10 Sec. 7803.154. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

11 The district is not required to pay a tax or assessment on:

12 (1) district property; or

13 (2) a purchase made by the district. (Acts 62nd Leg.,  
14 R.S., Ch. 135, Sec. 24 (part).)

15 Source Law

16 Sec. 24. . . . the district shall not be  
17 required to pay any tax or assessment on its properties  
18 or any part thereof or on any purchases made by the  
19 district.

20 Revised Law

21 Sec. 7803.155. DEPOSITORY. (a) The board shall designate  
22 one or more banks inside or outside the district to serve as the  
23 depository for the district's money.

24 (b) All district money shall be deposited in the depository  
25 bank or banks, except that sufficient money must be remitted to and  
26 received by the bank or banks of payment to pay the principal of and  
27 interest on any outstanding district bonds on or before the  
28 maturity date of the principal and interest.

29 (c) To the extent that money in a depository bank is not  
30 insured by the Federal Deposit Insurance Corporation, the money  
31 must be secured in the manner provided by law for the security of  
32 county funds. (Acts 62nd Leg., R.S., Ch. 135, Sec. 13 (part).)

33 Source Law

34 Sec. 13. The board of directors shall designate  
35 one or more banks within or without the district to  
36 serve as the depository for the funds of the district.  
37 All funds of the district shall be deposited in such  
38 depository bank or banks, except that sufficient funds  
39 shall be remitted to the bank or banks of payment of  
40 principal of and interest on any outstanding bonds of  
41 the district and in time that such may be received by  
42 said bank or banks of payment on or prior to the date of

1 maturity of such principal and interest so to be paid.  
2 To the extent that funds in the depository bank or  
3 banks are not insured by the Federal Deposit Insurance  
4 Corporation, they shall be secured in the manner  
5 provided by law for the security of county funds. . . .

6 Revisor's Note

7 Section 13, Chapter 135, Acts of the 62nd  
8 Legislature, Regular Session, 1971, refers to the  
9 district's "funds." The revised law substitutes  
10 "money" for "funds" because, in the context of  
11 district funds, the meaning is the same and "money" is  
12 the more commonly used term.

13 Revisor's Note  
14 (End of Subchapter)

15 (1) Section 11, Chapter 135, Acts of the 62nd  
16 Legislature, Regular Session, 1971, provides that a  
17 maintenance tax election may be held on the same day as  
18 a bond election and may be called by a separate  
19 election order or as a part of the order calling the  
20 bond election. The section also authorizes the  
21 levying and collection of a maintenance tax if a  
22 majority of the votes cast at the election are in favor  
23 of the levying and collection of the tax. The revised  
24 law omits those provisions because they duplicate, in  
25 substance, Section 49.107, Water Code, which  
26 authorizes an operation and maintenance tax for  
27 certain purposes if it is approved by the voters and  
28 provides that an operation and maintenance tax  
29 election may be held at the same time as any other  
30 district election and may be called by a separate  
31 election order or as part of any other election order.  
32 The omitted law reads:

33 Sec. 11. A maintenance tax election  
34 may also be held on the same day as the bond  
35 election, and such maintenance tax election  
36 may be called by a separate election order  
37 or as a part of the order calling the bond  
38 election. If a majority of the votes cast at  
39 such election are in favor of the levy and  
40 collection of such maintenance tax, it may  
41 be thereafter levied and collected.

1           (2) Section 16, Chapter 135, Acts of the 62nd  
2           Legislature, Regular Session, 1971, provides that the  
3           assessed valuation of taxable properties for district  
4           purposes shall be the same as that for City of Irving  
5           purposes. The revised law omits that provision  
6           because it was repealed by Section 6(b), Chapter 841,  
7           Acts of the 66th Legislature, Regular Session, 1979,  
8           which repealed all "general, local, and special laws"  
9           that conflicted with that act. The 1979 act enacted  
10          the Property Tax Code (Title 1, Tax Code), a  
11          comprehensive, substantive codification of the laws  
12          governing the administration of ad valorem taxes.  
13          Section 18(b), Article VIII, Texas Constitution,  
14          requires the legislature by general law to provide for  
15          a single appraisal in each county of all property  
16          subject to ad valorem taxation by the county and all  
17          other taxing units located in the county. In  
18          accordance with Section 18(b), Section 6.01, Tax Code,  
19          establishes an appraisal district to appraise property  
20          in each county and requires each taxing unit that  
21          imposes ad valorem taxes on property in the appraisal  
22          district to use that appraisal. Section 6.01, Tax  
23          Code, applies to the district under Section 1.02, Tax  
24          Code. The omitted law reads:

25                    Sec. 16. The assessed valuation of  
26                    taxable properties for district purposes  
27                    shall be the same as that for City of  
28                    Irving, Texas, purposes; and . . . .

29          (3) Section 16, Chapter 135, Acts of the 62nd  
30          Legislature, Regular Session, 1971, requires the Board  
31          of Equalization of the City of Irving to serve as the  
32          board of equalization for the district. The revised  
33          law omits the reference to a board of equalization  
34          because boards of equalization were abolished and  
35          their functions and duties transferred to appraisal  
36          review boards by the 1979 enactment of the Property Tax

1 Code, Title 1, Tax Code (Section 1, Chapter 841, Acts  
2 of the 66th Legislature, Regular Session). The  
3 omitted law reads:

4           Sec. 16. . . . the Board of  
5 Equalization of said city shall serve as the  
6 Board of Equalization for said  
7 district. . . .

8           (4) Section 16, Chapter 135, Acts of the 62nd  
9 Legislature, Regular Session, 1971, provides that the  
10 state laws relating to the assessment and collection  
11 of city taxes apply to the assessment and collection of  
12 taxes of the district unless otherwise provided by  
13 that act. The revised law omits that provision because  
14 it was repealed by Section 6(b), Chapter 841, Acts of  
15 the 66th Legislature, Regular Session, 1979. See  
16 Revisor's Note (2). Title 1, Tax Code, provides the  
17 exclusive procedures for the assessment and collection  
18 of ad valorem taxes by a taxing unit, including the  
19 district. The omitted law reads:

20           Sec. 16. . . . All laws of the State  
21 of Texas relating to the assessment and  
22 collection of city taxes are by this Act  
23 made available for and shall be applied to  
24 the assessing of current taxes and the  
25 collection of both current and delinquent  
26 taxes of the district unless otherwise  
27 provided herein.

28           . . .

29           (5) Section 16, Chapter 135, Acts of the 62nd  
30 Legislature, Regular Session, 1971, requires the tax  
31 assessor and collector for the district to prepare the  
32 tax rolls in duplicate and to retain one copy in the  
33 assessor and collector's office and file one copy with  
34 the district. The revised law omits that provision  
35 because it was repealed by Section 6(b), Chapter 841,  
36 Acts of the 66th Legislature, Regular Session, 1979.  
37 See Revisor's Note (2). Section 26.09(e), Tax Code,  
38 requires the assessor for a taxing unit to enter on the  
39 appraisal roll for the unit the amount of tax imposed  
40 on each property included on the roll and submit it to

1 the governing body of the unit for approval and  
2 provides that the appraisal roll with amounts of tax  
3 entered as approved by the governing body constitutes  
4 the unit's tax roll. Section 26.09(e), Tax Code,  
5 applies to the district under Section 1.02, Tax Code.  
6 The omitted law reads:

7           Sec. 16. . . .  
8           The tax assessor and collector shall  
9           prepare the tax rolls in duplicate, one copy  
10           of which he shall retain in his office and  
11           one copy of which shall be filed with the  
12           district. . . .

13           (6) Section 16, Chapter 135, Acts of the 62nd  
14           Legislature, Regular Session, 1971, provides that  
15           district taxes become due and payable on the same day  
16           and date as state and City of Irving ad valorem taxes.  
17           The revised law omits the provision because it was  
18           repealed by Section 6(b), Chapter 841, Acts of the 66th  
19           Legislature, Regular Session, 1979. See Revisor's  
20           Note (2). Section 31.02, Tax Code, specifies when  
21           taxes are due and payable. Section 31.02, Tax Code,  
22           applies to the district under Section 1.02, Tax Code.  
23           The omitted law reads:

24           Sec. 16. . . .  
25           All district taxes shall become due  
26           and payable on the same day and date as  
27           state and City of Irving ad valorem taxes  
28           and . . . .

29           (7) Section 16, Chapter 135, Acts of the 62nd  
30           Legislature, Regular Session, 1971, provides that  
31           district taxes are a lien on the property on which the  
32           taxes were assessed. The revised law omits that  
33           provision because it duplicates, in substance, Section  
34           32.01, Tax Code, which provides that a tax lien  
35           attaches to property to secure the payment of all  
36           taxes, penalties, and interest imposed on the  
37           property. Section 32.01, Tax Code, applies to the  
38           district under Section 1.02, Tax Code. The omitted law  
39           reads:

1                   Sec. 16. . . .  
2                   [All district taxes] . . . shall be  
3                   and remain a lien upon the property on which  
4                   same were assessed, although the owner be  
5                   unknown or same be listed in the name of a  
6                   person not the actual owner thereof or  
7                   though the ownership be changed. . . .

8                   (8) Section 16, Chapter 135, Acts of the 62nd  
9                   Legislature, Regular Session, 1971, authorizes the  
10                  district to institute a suit to enforce the payment of  
11                  taxes and to foreclose a lien to secure that payment.  
12                  The revised law omits that provision because it  
13                  duplicates, in substance, part of Chapter 33, Tax  
14                  Code, which authorizes a taxing unit to file suit to  
15                  enforce the payment of taxes and to foreclose a lien to  
16                  secure that payment. Chapter 33, Tax Code, applies to  
17                  the district under Section 1.02, Tax Code. The omitted  
18                  law reads:

19                         Sec. 16. . . . All such property may  
20                         be sold under a judgment of a court for all  
21                         taxes, interest, penalty and costs assessed  
22                         against same at any time after such taxes  
23                         become delinquent. District shall have  
24                         authority to file suits for the collection  
25                         of taxes against an unknown owner and the  
26                         property sold under the judgment of the  
27                         court. . . .

28                   (9) Section 16, Chapter 135, Acts of the 62nd  
29                   Legislature, Regular Session, 1971, provides for the  
30                   assessment of penalty and interest on delinquent  
31                   taxes. The revised law omits that provision because it  
32                   was repealed by Section 6(b), Chapter 841, Acts of the  
33                   66th Legislature, Regular Session, 1979. See  
34                   Revisor's Note (2). Chapter 33, Tax Code, provides for  
35                   the assessment of penalties and interest on delinquent  
36                   taxes. Chapter 33, Tax Code, applies to the district  
37                   under Section 1.02, Tax Code. The omitted law reads:

38                         Sec. 16. . . . All taxes becoming  
39                         delinquent shall have added thereto a  
40                         penalty of 10 percent of the amount thereof,  
41                         which charge shall accrue at the time same  
42                         became delinquent. All such delinquent  
43                         taxes shall bear interest at the rate of six  
44                         percent per annum from the date upon which  
45                         they became delinquent.

1 . . .

2 (10) Section 16, Chapter 135, Acts of the 62nd  
3 Legislature, Regular Session, 1971, requires the tax  
4 assessor to pay to the depository designated by the  
5 district all taxes collected under the act within 30  
6 days after receipt. The revised law omits the  
7 provision because it was repealed by Section 6(b),  
8 Chapter 841, Acts of the 66th Legislature, Regular  
9 Session, 1979. See Revisor's Note (2). Section 31.10,  
10 Tax Code, requires the tax collector for a taxing unit  
11 to deposit taxes collected in the unit's depository.  
12 Section 31.10, Tax Code, applies to the district under  
13 Section 1.02, Tax Code. The omitted law reads:

14 Sec. 16. . . .  
15 The tax assessor shall pay over to the  
16 depository designated by the district all  
17 taxes collected hereunder within 30 days  
18 after receipt thereof by the  
19 assessor-collector. . . .

20 (11) Section 16, Chapter 135, Acts of the 62nd  
21 Legislature, Regular Session, 1971, requires the  
22 assessor-collector for the district to file such  
23 security for the faithful performance of the  
24 assessor-collector's duties under the act as in the  
25 judgment of the directors is necessary. The revised  
26 law omits the provision because it was repealed by  
27 Section 6(b), Chapter 841, Acts of the 66th  
28 Legislature, Regular Session, 1979. See Revisor's  
29 Note (2). Section 6.29(b), Tax Code, authorizes a  
30 taxing unit whose taxes are collected by the collector  
31 for another taxing unit to require that collector to  
32 give bond conditioned on the faithful performance of  
33 that collector's duties. Section 6.29(b), Tax Code,  
34 applies to the district under Section 1.02, Tax Code.  
35 The omitted law reads:

36 Sec. 16. . . . The assessor-collector  
37 shall be required to file such security for  
38 the faithful performance of his duties  
39 hereunder as in the judgment of the

1 directors is necessary.

2 . . .

3 (12) Section 16, Chapter 135, Acts of the 62nd  
4 Legislature, Regular Session, 1971, provides for  
5 compensating the City of Irving for tax assessment and  
6 collection services performed under the act. The  
7 revised law omits that provision because it was  
8 repealed by Section 6(b), Chapter 841, Acts of the 66th  
9 Legislature, Regular Session, 1979. See Revisor's  
10 Note (2). Section 6.27(c), Tax Code, provides for the  
11 compensation of the assessor or collector for a taxing  
12 unit other than a county. Section 6.27(c), Tax Code,  
13 applies to the district under Section 1.02, Tax Code.  
14 The omitted law reads:

15 Sec. 16. . . .

16 The City of Irving shall be  
17 compensated for tax assessment and  
18 collection services performed hereunder as  
19 determined by the board of directors but  
20 such compensation shall never exceed one  
21 percent of the taxes payable on the assessed  
22 value of all property within the district  
23 plus one percent of all taxes collected by  
24 the assessor-collector hereunder.

25 [Sections 7803.156-7803.200 reserved for expansion]

26 SUBCHAPTER E. BONDS

27 Revised Law

28 Sec. 7803.201. AUTHORITY TO ISSUE BONDS. The board may  
29 issue district tax bonds to acquire money to carry out any district  
30 power or accomplish any district purpose under this chapter. The  
31 bonds may be authorized by a board order. (Acts 62nd Leg., R.S.,  
32 Ch. 135, Sec. 10 (part).)

33 Source Law

34 Sec. 10. The board of directors shall be  
35 authorized to issue negotiable tax bonds of the  
36 district for the purpose of acquiring funds with which  
37 to accomplish and carry out any one or more of the  
38 powers and purposes herein granted to district, and  
39 . . . .

40 District's bonds may be issued by order of the  
41 board of directors, but . . . .

42 Revisor's Note

43 Section 10, Chapter 135, Acts of the 62nd

1 Legislature, Regular Session, 1971, authorizes the  
2 district to issue "negotiable" bonds. The revised law  
3 omits the reference to "negotiable" bonds because  
4 Section 1201.041, Government Code, provides that a  
5 public security is a negotiable instrument. Section  
6 1201.041 applies to district bonds under Sections  
7 1201.002 and 1201.003, Government Code.

8 Revised Law

9 Sec. 7803.202. FORM OF BONDS. District bonds and their  
10 related interest coupons shall be signed and executed as provided  
11 by the board in the order authorizing the issuance of the bonds.  
12 (Acts 62nd Leg., R.S., Ch. 135, Sec. 10 (part).)

13 Source Law

14 Sec. 10. . . . Said bonds and interest coupons  
15 appertaining thereto . . . shall be signed and  
16 executed, as provided by said board in the order  
17 authorizing their issuance.

18 . . .

19 Revised Law

20 Sec. 7803.203. MATURITY. District bonds must mature not  
21 later than 40 years after their date of issuance. (Acts 62nd Leg.,  
22 R.S., Ch. 135, Sec. 10 (part).)

23 Source Law

24 Sec. 10. . . . Said bonds . . . shall mature  
25 serially or otherwise not more than 40 years from their  
26 date or dates, and . . . .

27 Revisor's Note

28 Section 10, Chapter 135, Acts of the 62nd  
29 Legislature, Regular Session, 1971, provides that  
30 district bonds shall mature "serially or otherwise."  
31 The revised law omits the quoted language because it is  
32 superseded by Section 1201.021, Government Code  
33 (enacted as Section 3, Bond Procedures Act of 1981  
34 (Article 717k-6, Vernon's Texas Civil Statutes)),  
35 which provides that the governing body of an issuer may  
36 determine the time of payment of public securities it  
37 issues, and by Section 1201.022, Government Code

1 (enacted as Section 5(a), Bond Procedures Act of 1981  
2 (Article 717k-6, Vernon's Texas Civil Statutes)),  
3 which provides that a public security may be issued  
4 with specified characteristics, on specified terms, or  
5 in a specified manner. Sections 1201.021 and  
6 1201.022, Government Code, apply to district bonds  
7 under Sections 1201.002 and 1201.003, Government Code.

8 Revised Law

9 Sec. 7803.204. ELECTION REQUIRED. (a) The district may not  
10 issue bonds, other than refunding bonds, unless the bonds are  
11 authorized by a majority vote of the district voters voting in an  
12 election held to determine whether the bonds should be issued and  
13 whether a tax should be imposed to pay the principal of and interest  
14 on the bonds.

15 (b) The board may order and provide notice of an election  
16 under this section.

17 (c) In addition to the requirements of the Election Code,  
18 the ballots shall have printed on them "For the issuance of bonds  
19 and the levy of taxes in payment thereof" and the contrary of that  
20 proposition. (Acts 62nd Leg., R.S., Ch. 135, Sec. 10 (part).)

21 Source Law

22 Sec. 10. . . . no bonds (except refunding  
23 bonds) shall be issued by district until authorized by  
24 a majority vote of the duly qualified resident  
25 electors of district who own taxable property within  
26 district and who have duly rendered same for taxation,  
27 voting in an election called and held for the purpose  
28 of determining whether or not said bonds shall be  
29 issued and whether or not taxes shall be levied to pay  
30 the principal of and interest on said bonds. The board  
31 of directors may order said election and provide for  
32 notice thereof . . . .

33 In addition to the requirements of the Texas  
34 Election Code, the ballots shall have printed or  
35 written thereon "For the Issuance of Bonds and the Levy  
36 of Taxes in Payment Thereof" and the contrary thereof.  
37 . . . .

38 Revisor's Note

39 (1) Section 10, Chapter 135, Acts of the 62nd  
40 Legislature, Regular Session, 1971, provides that the  
41 district may not issue bonds unless authorized by a  
42 majority vote of "the duly qualified resident electors

1 of district who own taxable property within district  
2 and who have duly rendered same for taxation." The  
3 revised law omits the reference to "duly qualified  
4 resident" as unnecessary in this context because  
5 Chapter 11, Election Code, governs eligibility to vote  
6 in an election in this state and allows only qualified  
7 voters who are residents of the territory covered by  
8 the election to vote in an election. The revised law  
9 also substitutes "voters" for "electors" because  
10 "voters" is the term used in the Election Code. The  
11 revised law also omits the reference to voting by  
12 persons who own taxable property and render that  
13 property for taxation for the reason stated in  
14 Revisor's Note (5) to Section 7803.102.

15 (2) Section 10, Chapter 135, Acts of the 62nd  
16 Legislature, Regular Session, 1971, refers to an  
17 "election called and held" for the purpose of  
18 authorizing the issuance of bonds. The revised law  
19 omits "called" because under Chapter 3, Election Code,  
20 all elections must be ordered (called) before they may  
21 be held.

22 (3) Section 10, Chapter 135, Acts of the 62nd  
23 Legislature, Regular Session, 1971, prescribes the  
24 contents of the notice of a district bond election. The  
25 revised law omits this provision because it  
26 duplicates, in substance, Section 49.106(b), Water  
27 Code. The omitted law reads:

28 Sec. 10. . . . [The board of  
29 directors may . . . provide for notice  
30 thereof] which shall contain the  
31 proposition to be voted upon, with an  
32 estimate of the probable cost of  
33 construction and incidental expenses  
34 connected therewith, the probable cost of  
35 the purchase of improvements, if any, and  
36 the construction of additions thereto.  
37 . . .

38 (4) Section 10, Chapter 135, Acts of the 62nd  
39 Legislature, Regular Session, 1971, provides that a



1 Leg., R.S., Ch. 135, Sec. 10 (part).)

2 Source Law

3 Sec. 10. [The board of directors shall be  
4 authorized] . . . to provide for the payment of  
5 interest on said bonds as it accrues and to create and  
6 provide a sinking fund for the payment of principal of  
7 said bonds as it matures by levying and causing to be  
8 assessed and collected continuing direct annual ad  
9 valorem taxes on all taxable property within the  
10 district sufficient for such purposes. . . .

11 Revised Law

12 Sec. 7803.207. PRELIMINARY BONDS. (a) The district may  
13 issue preliminary bonds, which need not be designated as such, to  
14 provide a fund to pay:

- 15 (1) the cost of making surveys and investigations,  
16 attorneys' fees, and engineers' work;  
17 (2) the cost of issuing bonds; and  
18 (3) all other costs and expenses incident to the  
19 district's operation in investigating and determining plans for the  
20 district's plant and improvements.

21 (b) Preliminary bonds shall be voted and authorized in the  
22 manner and under the same provisions applicable to the district's  
23 construction bonds and shall be of equal dignity with those  
24 construction bonds. (Acts 62nd Leg., R.S., Ch. 135, Sec. 10  
25 (part).)

26 Source Law

27 Sec. 10. . . . In addition, the district may  
28 issue its preliminary bonds, which need not be  
29 designated as such, to provide a fund to pay said costs  
30 . . . of making surveys, investigations, attorneys'  
31 fees, engineers' work, cost of issuance of bonds, and  
32 all other costs and expenses incident to . . . its  
33 operation in investigating and determining upon plans  
34 for its plant and improvements. Said bonds shall be  
35 voted, authorized, . . . in the manner and under the  
36 same provisions as are applicable to its construction  
37 bonds and shall be of equal dignity therewith.  
38 . . .

39 Revised Law

40 Sec. 7803.208. EXCHANGING BONDS FOR PROPERTY OR WORK. The  
41 district may exchange bonds:

- 42 (1) for property acquired by purchase; or  
43 (2) in payment of the contract price of work performed

1 for the use and benefit of the district. (Acts 62nd Leg., R.S., Ch.  
2 135, Sec. 10 (part).)

3 Source Law

4 Sec. 10. . . . The district may exchange bonds  
5 for property acquired by purchase or in payment of the  
6 contract price of work performed for the use and  
7 benefit of said district.  
8 . . .

9 Revisor's Note  
10 (End of Subchapter)

11 (1) Section 10, Chapter 135, Acts of the 62nd  
12 Legislature, Regular Session, 1971, states that  
13 district bonds may be issued in "various series and  
14 issues." The revised law omits this provision because  
15 it duplicates, in substance, a provision of Section  
16 1201.022, Government Code, which applies to district  
17 bonds under Sections 1201.002 and 1201.003, Government  
18 Code. The omitted law reads:

19 Sec. 10. . . . [Said bonds] may be  
20 issued in various series and issues,  
21 . . . .

22 (2) Section 10, Chapter 135, Acts of the 62nd  
23 Legislature, Regular Session, 1971, provides that  
24 district bonds shall bear interest at a rate  
25 determined by the board that does not exceed the legal  
26 maximum interest rate for political subdivisions.  
27 Section 10 similarly provides that district refunding  
28 bonds shall bear interest at a rate determined by the  
29 board that is not higher than the voted maximum rate.  
30 The revised law omits these provisions because they  
31 are superseded by other law. Chapter 3, Acts of the  
32 61st Legislature, Regular Session, 1969 (Article  
33 717k-2, Vernon's Texas Civil Statutes), now Chapter  
34 1204, Government Code, established a maximum interest  
35 rate for public securities. Section 1204.006,  
36 Government Code, reflecting the 1981 amendment of  
37 Article 717k-2 by Section 1, Chapter 61, Acts of the  
38 67th Legislature, Regular Session, permits a public

1 agency to issue public securities at any net effective  
2 interest rate of 15 percent or less. Section 1204.006,  
3 Government Code, applies to district bonds under  
4 Sections 1204.001 and 1204.002, Government Code. The  
5 omitted law reads:

6           Sec. 10. . . . [Said bonds] . . .  
7           shall bear interest at any rate or rates as  
8           shall be determined by the district's board  
9           of directors; provided, however, said  
10          interest rate shall not exceed the legal  
11          maximum for political subdivisions. . . .  
12          Such refunding bonds . . . shall bear  
13          interest at any rate or rates as shall be  
14          determined by said board. Such refunding  
15          bonds . . . shall not bear interest at a  
16          rate higher than the voted maximum rate.  
17          . . . .

18           (3) Section 10, Chapter 135, Acts of the 62nd  
19          Legislature, Regular Session, 1971, provides that  
20          district bonds and interest coupons are negotiable  
21          instruments. The revised law omits the provisions for  
22          the reason stated in the revisor's note to Section  
23          7803.201. The omitted law reads:

24           Sec. 10. . . . [Said bonds and  
25           interest coupons appertaining thereto]  
26           shall be negotiable instruments, . . . .  
27           Said refunding bonds and the interest  
28           coupons appurtenant thereto shall be  
29           negotiable instruments and . . . .

30           (4) Section 10, Chapter 135, Acts of the 62nd  
31          Legislature, Regular Session, 1971, provides that  
32          district bonds and interest coupons may be registered  
33          as to principal or as to principal and interest. The  
34          revised law omits this provision because it  
35          duplicates, in substance, Section 1201.024,  
36          Government Code, which applies to district bonds under  
37          Sections 1201.002 and 1201.003, Government Code. The  
38          omitted law reads:

39           Sec. 10. . . . [Said bonds and  
40           interest coupons appertaining thereto]  
41           . . . may be issued registrable as to  
42           principal or as to both principal and  
43           interest, . . . .

44           (5) Section 10, Chapter 135, Acts of the 62nd

1 Legislature, Regular Session, 1971, provides in part  
2 that bonds and interest coupons issued under that act  
3 may be redeemed before maturity. The revised law omits  
4 this provision because it duplicates, in substance,  
5 Section 1201.021(4), Government Code, which applies to  
6 district bonds and interest coupons under Sections  
7 1201.002 and 1201.003, Government Code. The omitted  
8 law reads:

9           Sec. 10. . . . [Said bonds and  
10 interest coupons appertaining thereto]  
11 . . . may be made redeemable prior to  
12 maturity, . . . .

13           (6) Section 10, Chapter 135, Acts of the 62nd  
14 Legislature, Regular Session, 1971, provides that  
15 district bonds and interest coupons may be issued in  
16 "such form, denominations and manner and under such  
17 terms, conditions and details" as provided by the  
18 board. The revised law omits the provision because it  
19 duplicates general law. Section 1201.024, Government  
20 Code, provides that an issuer may specify the form of a  
21 bond it issues. Section 1201.021, Government Code,  
22 provides that the governing body of an issuer may issue  
23 bonds in any denomination. Section 1201.022,  
24 Government Code, provides that a governmental entity  
25 may specify the terms and manner under which a bond is  
26 issued. "Conditions" and "details" are included in  
27 the meaning of "terms." Sections 1201.021, 1201.022,  
28 and 1201.024, Government Code, apply to district bonds  
29 under Sections 1201.002 and 1201.003, Government Code.  
30 The omitted law reads:

31           Sec. 10. . . . [Said bonds and  
32 interest coupons appertaining thereto]  
33 . . . may be issued in such form,  
34 denominations and manner and under such  
35 terms, conditions and details, and . . .  
36 [as provided by said board in the order  
37 authorizing their issuance].  
38 . . .

39           (7) Section 10, Chapter 135, Acts of the 62nd

1 Legislature, Regular Session, 1971, provides for the  
2 investment of funds established in a bond order. The  
3 revised law omits this provision because it  
4 duplicates, in substance, Section 49.157, Water Code,  
5 and is superseded by Subchapter A, Chapter 2256,  
6 Government Code (enacted as Chapter 889, Acts of the  
7 70th Legislature, Regular Session, 1987). The omitted  
8 law reads:

9           Sec. 10. . . . District moneys in  
10 interest and sinking funds, reserve funds  
11 and in other funds of the district  
12 respectively established or provided for in  
13 the district's bond orders may be invested  
14 in such manner and in such securities as may  
15 be provided therein.  
16           . . .

17           (8) Section 10, Chapter 135, Acts of the 62nd  
18 Legislature, Regular Session, 1971, provides that the  
19 district's preliminary bonds must be approved in the  
20 same manner as the district's construction bonds and  
21 requires the district to deliver all bonds it issues to  
22 the attorney general for examination. The revised law  
23 omits these provisions because they duplicate, in  
24 substance, Section 1202.003, Government Code, which  
25 applies to the issuance of district bonds under  
26 Section 1202.001, Government Code, and requires  
27 compliance with Chapter 1202, Government Code. The  
28 omitted law reads:

29           Sec. 10. . . . [Said bonds shall be  
30 . . .] approved and . . . [in the manner and  
31 under the same provisions as are applicable  
32 to its construction bonds] . . . .  
33           All bonds, including preliminary bonds  
34 and refunding bonds, to be issued by  
35 district shall be submitted to the Attorney  
36 General of the State of Texas for  
37 examination. . . .

38           (9) Section 10, Chapter 135, Acts of the 62nd  
39 Legislature, Regular Session, 1971, provides that the  
40 district's preliminary bonds must be registered in the  
41 same manner as the district's construction bonds.  
42 Section 10, Chapter 135, Acts of the 62nd Legislature,

1 Regular Session, 1971, also provides that after  
2 approval all district bonds shall be registered by the  
3 comptroller. The revised law omits these provisions  
4 as superseded by Section 1202.005, Government Code  
5 (enacted in 1987 as Section 3.002(c), Chapter 53, Acts  
6 of the 70th Legislature, 2nd Called Session). Section  
7 1202.005, Government Code, applies to district bonds  
8 under Sections 1202.001 and 1202.003, Government Code.  
9 The omitted law reads:

10 Sec. 10. . . . [Said bonds shall be]  
11 . . . registered [in the manner and under  
12 the same provisions as are applicable to its  
13 construction bonds] . . . .

14 After the voted authorization of bonds  
15 and their approval by the Attorney General  
16 of the State of Texas as hereinafter  
17 provided, . . . . If he finds that such  
18 bonds have been authorized in accordance  
19 with law, he shall approve them, and  
20 thereupon they shall be registered by the  
21 Comptroller of Public Accounts of the State  
22 of Texas. . . .

23 (10) Section 10, Chapter 135, Acts of the 62nd  
24 Legislature, Regular Session, 1971, requires the  
25 district to issue bonds on the best terms and for the  
26 best price possible. The revised law omits that  
27 provision because it duplicates Section  
28 1201.022(a)(3)(B), Government Code. That section  
29 applies to district bonds by application of Section  
30 1201.002, Government Code. In addition, Section  
31 1204.006(b), Government Code, provides that a public  
32 agency may sell public securities at any price.  
33 Section 1204.006(b) applies to district bonds by  
34 application of Section 1204.001, Government Code. The  
35 omitted law reads:

36 Sec. 10. . . .  
37 [After the voted authorization of  
38 bonds] . . . the directors shall sell same  
39 on the best terms and for the best possible  
40 price, but none of such bonds shall be sold  
41 for less than their par or face value. . . .

42 (11) Section 10, Chapter 135, Acts of the 62nd  
43 Legislature, Regular Session, 1971, provides that

1 after approval and registration, district bonds are  
2 incontestable for any reason. The revised law omits  
3 this provision because it duplicates, in substance,  
4 Section 1202.006, Government Code. Section 1202.006,  
5 Government Code, applies to district bonds under  
6 Sections 1202.001 and 1202.003, Government Code. The  
7 omitted law reads:

8           Sec. 10. . . . After such approval  
9 and registration, such bonds shall be  
10 incontestable in any court or other forum,  
11 for any reason, and shall be valid and  
12 binding obligations of district in  
13 accordance with their terms and provisions.  
14 . . .

15           (12) Section 10, Chapter 135, Acts of the 62nd  
16 Legislature, Regular Session, 1971, authorizes the  
17 district to issue refunding bonds that mature serially  
18 or otherwise to refund or refinance bonds issued by the  
19 district and provides procedures applicable to  
20 refunding bonds. The revised law omits the provisions  
21 authorizing the district to issue refunding bonds and  
22 specifying the procedures applicable to refunding  
23 bonds because they duplicate Chapter 1207, Government  
24 Code, which provides general authority for an issuer,  
25 including the district, to issue refunding bonds and  
26 prescribes procedures applicable to those refunding  
27 bonds. Chapter 1207 applies to the district by  
28 application of Section 1207.001, Government Code. The  
29 revised law omits the provision specifying that the  
30 bonds shall mature serially or otherwise for the  
31 reason stated in the revisor's note to Section  
32 7803.203. The omitted law reads:

33           Sec. 10. . . .  
34           The board of directors shall be  
35 authorized to refund or refinance all or any  
36 part of district's outstanding bonds and  
37 matured but unpaid interest coupons by the  
38 issuance of refunding bonds. [Such  
39 refunding bonds] shall mature serially or  
40 otherwise not more than 40 years from their  
41 date, and . . . may be issued without an  
42 election therefor, but . . . [Said

1 refunding bonds and the interest coupons  
2 appurtenant thereto] . . . shall be issued  
3 as provided herein. The refunding bonds  
4 shall be issued in lieu of, and upon  
5 surrender to the Comptroller of Public  
6 Accounts of the State of Texas and  
7 cancellation of, the obligations being  
8 refunded thereby, and the Comptroller of  
9 Public Accounts, upon the registration of  
10 the refunding bonds, shall deliver same in  
11 accordance with the provisions of the order  
12 authorizing the refunding bonds. Such  
13 refunding may be accomplished in one or in  
14 several installment deliveries.  
15 . . .

16 (13) Section 10, Chapter 135, Acts of the 62nd  
17 Legislature, Regular Session, 1971, lists the entities  
18 for which district bonds are legal and authorized  
19 investments. Section 10 also provides that district  
20 bonds may secure deposits of public funds of the state  
21 or political subdivisions. The revised law omits  
22 those provisions because they duplicate, in substance,  
23 Section 49.186, Water Code. The omitted law reads:

24 Sec. 10. . . .  
25 All bonds, including preliminary bonds  
26 and refunding bonds, issued by district  
27 shall be legal and authorized investments  
28 for all banks, trust companies, building  
29 and loan associations, savings and loan  
30 associations, insurance companies of all  
31 kinds and types, fiduciaries, and trustees,  
32 and for all interest and sinking funds and  
33 other public funds of the State of Texas,  
34 and all agencies, subdivisions, and  
35 instrumentalities thereof, including all  
36 counties, cities, towns, villages, school  
37 districts, and all other types and kinds of  
38 districts, public agencies and bodies  
39 politic. Said bonds also shall be eligible  
40 and lawful security for all deposits of  
41 public funds of the State of Texas, and all  
42 agencies, subdivisions, and  
43 instrumentalities thereof, including all  
44 counties, cities, towns, villages, school  
45 districts, and all other kinds and types of  
46 districts, public agencies, and bodies  
47 politic, to the extent of the market value  
48 of said bonds, when accompanied by any  
49 unmatured interest coupons appurtenant  
50 thereto.

51 [Sections 7803.209-7803.250 reserved for expansion]

52 SUBCHAPTER F. DEFINED AREAS

53 Revised Law

54 Sec. 7803.251. AUTHORITY TO ANNEX DEFINED AREA. (a) In  
55 addition to annexing land under Section 7803.102, the board may

1 annex land to the district as a separately defined area on the  
2 petition of the owner or owners of a majority of the land contained  
3 in an area defined by metes and bounds outside the district.

4 (b) The petition must be filed with the board. (Acts 62nd  
5 Leg., R.S., Ch. 135, Sec. 26(a) (part).)

6 Source Law

7 Sec. 26. (a) In addition to other provisions  
8 of this Act relating to the annexation of additional  
9 land by the district, the board of directors of the  
10 district may annex additional land to the district as a  
11 separately defined area upon the petition of the owner  
12 or owners of a majority of the land contained in an  
13 area defined by metes and bounds outside of the  
14 district. Said petition shall be filed with the board  
15 of directors . . . .

16 Revisor's Note

17 Section 26(a), Chapter 135, Acts of the 62nd  
18 Legislature, Regular Session, 1971, refers to "other  
19 provisions of this Act relating to the annexation of  
20 additional land." For the convenience of the reader,  
21 the revised law substitutes a reference to Section  
22 7803.102, which revises the referenced annexation  
23 provisions.

24 Revised Law

25 Sec. 7803.252. NOTICE OF AND HEARING ON PETITION TO ANNEX  
26 DEFINED AREA. (a) On receipt of a petition under Section 7803.251,  
27 the board by order shall set a time and place for a hearing on the  
28 petition to be held not less than 30 days after the date of the  
29 order.

30 (b) Notice of the time and place of the hearing on the  
31 petition must be posted in the district and in the separately  
32 defined area proposed to be annexed for at least 15 days before the  
33 date of the hearing. Notice must also be published one time in a  
34 newspaper with general circulation in the county at least 15 days  
35 before the date of the hearing.

36 (c) The notice described by Subsection (b) must contain a  
37 description of the separately defined area proposed to be annexed.  
38 (Acts 62nd Leg., R.S., Ch. 135, Sec. 26(a) (part).)



1 vote of the voters in the defined area voting at an election held in  
2 the area.

3 (b) Section 7803.113 governs notice of an election under  
4 this section.

5 (c) A separately defined area is a separate election  
6 precinct for an election under this section and all other elections  
7 for the defined area. (Acts 62nd Leg., R.S., Ch. 135, Sec. 26(c).)

8 Source Law

9 (c) Annexation of a separately defined area is  
10 not final until ratified by a majority vote of the duly  
11 qualified resident electors of such area at an  
12 election held therein, which area shall constitute a  
13 separate election precinct for this and all other  
14 elections for such area. All provisions relating to  
15 notice of the election and the manner of holding the  
16 same shall be governed by Section 10 of this Act.

17 Revisor's Note

18 (1) Section 26(c), Chapter 135, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to the  
20 "duly qualified resident electors" of a separately  
21 defined area. The revised law omits "duly qualified  
22 resident" and substitutes "voters" for "electors" for  
23 the reasons stated in Revisor's Note (1) to Section  
24 7803.204.

25 (2) Section 26(c), Chapter 135, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides that  
27 notice for and the manner of holding an election to  
28 ratify the annexation of a defined area are governed by  
29 Section 10 of that act. The revised law refers to  
30 Section 7803.113 of this chapter, which codifies the  
31 part of Section 10 pertaining to notice of a district  
32 bond election. The revised law omits the reference to  
33 the manner of holding an election because the part of  
34 Section 10 pertaining to the manner of holding a  
35 district bond election was omitted for the reason  
36 stated in Revisor's Note (4) to Section 7803.204.

37 Revised Law

38 Sec. 7803.255. NUMBERING OF DEFINED AREAS. All annexed

1 separately defined areas shall be numbered in consecutive order.  
2 The first separately defined area shall be designated as "Irving  
3 Flood Control District of Dallas County, Texas - Section II." (Acts  
4 62nd Leg., R.S., Ch. 135, Sec. 26(d).)

5 Source Law

6 (d) The first separately defined area annexed to  
7 the district shall be known and designated as 'Irving  
8 Flood Control District of Dallas County, Texas—Section  
9 II' and any subsequently annexed separately defined  
10 areas shall be numbered in consecutive order.

11 Revised Law

12 Sec. 7803.256. ADMINISTRATION OF DEFINED AREA. (a) The  
13 board shall administer all business incident to any separately  
14 defined area annexed under this subchapter.

15 (b) Each annexed separately defined area shall pay its pro  
16 rata share of the administrative costs of the district, based on the  
17 assessed valuation of the defined area in relation to the assessed  
18 valuation of the district and any other defined areas annexed to the  
19 district. (Acts 62nd Leg., R.S., Ch. 135, Sec. 26(g) (part).)

20 Source Law

21 (g) The board of directors shall administer all  
22 business incident to any separately defined area so  
23 annexed and each such area shall pay its pro rata share  
24 of the administrative costs of the district based upon  
25 its assessed valuation in relation to the assessed  
26 valuation of the district and any other separately  
27 defined areas so annexed. . . .

28 Revised Law

29 Sec. 7803.257. POWERS AND DUTIES OF DEFINED AREA. Except as  
30 otherwise provided by this subchapter, or where in conflict with  
31 this subchapter, an annexed separately defined area has the rights,  
32 duties, restrictions, and provisions of this chapter. (Acts 62nd  
33 Leg., R.S., Ch. 135, Sec. 26(g) (part).)

34 Source Law

35 (g) . . . All additional defined areas shall  
36 have and exercise all rights, duties, restrictions,  
37 and provisions of this Act except where in conflict  
38 with this section or as otherwise provided herein.

39 Revisor's Note

40 Section 26(g), Chapter 135, Acts of the 62nd  
41 Legislature, Regular Session, 1971, provides that

1 defined areas "shall have and exercise" certain  
2 powers. The revised law substitutes "has" for the  
3 quoted language because, in context, the terms are  
4 synonymous and "has" is more commonly used.

5 Revised Law

6 Sec. 7803.258. TAXATION; GENERAL PROVISIONS. (a) An  
7 annexed separately defined area is a separate tax area for the  
8 payment of all indebtedness incurred for improvements constructed  
9 on authorization of the defined area and for the maintenance of  
10 those improvements.

11 (b) A separately defined area is liable only for  
12 indebtedness incurred or taxes imposed for improvements and the  
13 maintenance of those improvements authorized by the defined area.  
14 No other part of the district, including another separately defined  
15 area, is liable for the payment of the indebtedness or taxes  
16 described by this subsection.

17 (c) Taxes in a separately defined area shall be imposed in  
18 the manner provided by Sections 7803.152 and 7803.153.

19 (d) The provisions authorizing a maintenance tax contained  
20 in Section 49.107, Water Code, apply to a separately defined area.  
21 (Acts 62nd Leg., R.S., Ch. 135, Secs. 26(e) (part), (f) (part).)

22 Source Law

23 (e) Any separately defined area annexed to the  
24 district shall be a separate tax area for the payment  
25 of all indebtedness incurred for, and the maintenance  
26 of, improvements constructed upon authorization of the  
27 said defined area, and said taxes shall be levied,  
28 assessed and collected in the manner and time provided  
29 in Section 16 of this Act. Any separately defined area  
30 shall be liable only for the indebtedness incurred or  
31 taxes levied for improvements and the maintenance  
32 thereof authorized by the defined area and no other  
33 part of the district, including any other separately  
34 defined area, shall be liable for the payment thereof.

35 . . .  
36 (f) . . . The provisions authorizing a  
37 maintenance tax contained in Section 11 of this Act  
38 shall also apply to separately defined areas.

39 Revisor's Note

40 (1) Section 26(e), Chapter 135, Acts of the 62nd  
41 Legislature, Regular Session, 1971, provides that  
42 taxes imposed in an annexed separately defined area

1 shall be levied, assessed, and collected "in the time"  
2 provided by Section 16 of the act. The revised law  
3 omits the quoted language because the provision in  
4 Section 16 relating to the time district taxes become  
5 due and payable was omitted as described by Revisor's  
6 Note (6) at the end of Subchapter D.

7 (2) Section 26(f), Chapter 135, Acts of the 62nd  
8 Legislature, Regular Session, 1971, states that the  
9 provisions in Section 11 of the act authorizing the  
10 district to impose a maintenance tax apply to any  
11 separately defined area. The revised law substitutes  
12 a reference to Section 49.107, Water Code, for the  
13 reference to Section 11 of the act for the reason  
14 stated in Revisor's Note (1) at the end of Subchapter  
15 D.

16 Revised Law

17 Sec. 7803.259. BONDS; GENERAL PROVISIONS. (a) After a  
18 separately defined area is annexed, the board may issue tax bonds  
19 clearly entitled by the designation of the defined area to acquire  
20 money to carry out any district power or accomplish any district  
21 purpose under this chapter for improvements to or for the defined  
22 area.

23 (b) The board may impose continuing direct annual ad valorem  
24 taxes on all taxable property located solely in the separately  
25 defined area sufficient to:

26 (1) provide for the payment of interest on bonds  
27 issued under this section as the interest accrues; and

28 (2) create and provide a sinking fund for the payment  
29 of principal of the bonds as the bonds mature.

30 (c) The issuance of bonds under this section may be  
31 authorized by a board order.

32 (d) The district may not issue bonds, other than refunding  
33 bonds, unless the bonds are authorized by a majority vote of the  
34 voters residing in the separately defined area voting in an

1 election held to determine whether the bonds should be issued and  
2 whether a tax should be imposed on property in the defined area to  
3 pay the principal of and interest on the bonds. The election must  
4 be held in the manner provided by Sections 7803.113 and 7803.204.

5 (e) The initial bond election for a separately defined area  
6 may be held on the same day as the election to ratify annexation of  
7 the defined area and as part of the order calling the ratification  
8 election.

9 (f) Subchapter E applies to any bonds issued to provide  
10 improvements to or for any separately defined area in a manner  
11 consistent with this section. (Acts 62nd Leg., R.S., Ch. 135, Sec.  
12 26(f) (part).)

13 Source Law

14 (f) After a separately defined area is so  
15 annexed, the board of directors of the district shall  
16 be authorized to issue negotiable tax bonds clearly  
17 entitled by the designation of the separately defined  
18 area for the purpose of acquiring funds with which to  
19 accomplish and carry out any one or more of the powers  
20 and purposes granted by this Act to the district for  
21 improvements to and for such separately defined area,  
22 and to provide for the payment of interest on said  
23 bonds as it accrues and to create and provide a sinking  
24 fund for the payment of principal of said bonds as they  
25 mature by levying and causing to be assessed and  
26 collected a continuing direct annual ad valorem tax on  
27 all taxable property solely within such separately  
28 defined area sufficient for such purposes. . . . All  
29 bonds may be issued by order of the board of directors,  
30 but no bonds, except refunding bonds, shall be issued  
31 by the district until authorized by a majority vote of  
32 the duly qualified resident electors of said area  
33 voting in an election called and held for the purpose  
34 of determining whether or not said bonds shall be  
35 issued and whether or not taxes shall be levied on  
36 property within the defined area to pay the principal  
37 of and interest on said bonds. The election shall be  
38 called and held in the manner provided for in Section  
39 10 of this Act. The initial bond election may be held  
40 on the same day as the election to ratify annexation  
41 and as a part of the order calling same. The provisions  
42 of Section 10 of this Act shall apply to any bonds  
43 issued to provide improvements to and for any  
44 separately defined area in a manner consistent with  
45 the provisions of this section. . . .

46 Revisor's Note

47 (1) Section 26(f), Chapter 135, Acts of the 62nd  
48 Legislature, Regular Session, 1971, authorizes the  
49 district to issue "negotiable" bonds. The revised law  
50 omits the reference to "negotiable" bonds for the

1 reason stated in the revisor's note to Section  
2 7803.201.

3 (2) Section 26(f), Chapter 135, Acts of the 62nd  
4 Legislature, Regular Session, 1971, provides that the  
5 district may not issue bonds for improvements to an  
6 annexed separately defined area unless authorized by a  
7 majority vote of "the duly qualified resident  
8 electors" of the area. The revised law omits the  
9 reference to "duly qualified resident" and substitutes  
10 "voters" for "electors" for the reasons stated in  
11 Revisor's Note (1) to Section 7803.204.

12 (3) Section 26(f), Chapter 135, Acts of the 62nd  
13 Legislature, Regular Session, 1971, refers to an  
14 "election called and held" for the purpose of  
15 authorizing the issuance of bonds. The revised law  
16 omits "called" for the reason stated in Revisor's Note  
17 (2) to Section 7803.204.

18 (4) Section 26(f), Chapter 135, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to an  
20 election held in the manner provided for in "Section 10  
21 of this Act." The revised law substitutes a reference  
22 to Sections 7803.113 and 7803.204 because the relevant  
23 provisions of Section 10 are codified in those  
24 sections of this chapter.

25 (5) Section 26(f), Chapter 135, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides that  
27 "[t]he provisions of Section 10 of this Act" apply to  
28 bonds issued to provide improvements for a separately  
29 defined area. The revised law substitutes a reference  
30 to Subchapter E because the relevant provisions of  
31 Section 10 are codified in that subchapter of this  
32 chapter.

33 Revised Law

34 Sec. 7803.260. PRELIMINARY BONDS. Preliminary bonds for a

1 separately defined area may be issued for the same purposes, under  
2 the same requirements, and of like effect as under Subchapter E.  
3 (Acts 62nd Leg., R.S., Ch. 135, Sec. 26(f) (part).)

4 Source Law

5 (f) . . . In addition, preliminary bonds for a  
6 separately defined area may be issued for the same  
7 purposes, under the same requirements, and of like  
8 effect as in Section 10 of this Act. . . .

9 Revisor's Note

10 Section 26(f), Chapter 135, Acts of the 62nd  
11 Legislature, Regular Session, 1971, provides that  
12 preliminary bonds for a separately defined area may be  
13 issued for the same purposes, under the same  
14 requirements, and of like effect as in "Section 10 of  
15 this Act." The revised law substitutes a reference to  
16 Subchapter E because the relevant provisions of  
17 Section 10 are codified in that subchapter of this  
18 chapter.

19 Revisor's Note  
20 (End of Chapter)

21 (1) Section 7, Chapter 135, Acts of the 62nd  
22 Legislature, Regular Session, 1971, provides for the  
23 exclusion of property from the district before the  
24 first bond election is called. The revised law omits  
25 that provision as executed because the district has  
26 already issued bonds. The omitted law reads:

27 Sec. 7. It shall not be necessary for  
28 the board of directors to call or hold a  
29 hearing on the exclusions of land or other  
30 property from the district; provided,  
31 however, that the board shall hold such  
32 hearing upon the written petition of any  
33 landowner or other property owner within  
34 the district filed with the secretary of the  
35 board prior to the calling of the first bond  
36 election for the district. The board may act  
37 on said petition in the same manner as is  
38 provided for acting on a petition for the  
39 addition of land under Article 7880-75  
40 (Vernon's Texas Civil Statutes), and no  
41 notice of hearing shall be required. . . .

42 (2) Section 7, Chapter 135, Acts of the 62nd  
43 Legislature, Regular Session, 1971, provides that the

1 board on its own motion may hold a hearing on the  
2 exclusion of land from the district in the manner  
3 provided by Article 7880-76, Vernon's Texas Civil  
4 Statutes. Article 7880-76 was codified in 1971 as  
5 Sections 51.691-51.701, Water Code, and recodified in  
6 1995 as Sections 49.303-49.308, Water Code. The  
7 revised law omits the provision because Sections  
8 49.303-49.308, Water Code, apply on their own terms.  
9 The omitted law reads:

10           Sec. 7. . . . The board on its own  
11 motion may call and hold an exclusions  
12 hearing or hearings in the manner then  
13 provided by Article 7880-76 (Vernon's Texas  
14 Civil Statutes).

15           (3) Section 10, Chapter 135, Acts of the 62nd  
16 Legislature, Regular Session, 1971, authorizes the  
17 district's directors to pay all costs and expenses  
18 necessarily incurred in the creation and organization  
19 of the district and to make reimbursement for money  
20 advanced for those purposes. The section permits  
21 payment of those costs and expenses to be made from the  
22 proceeds of the first sale of bonds by the district or  
23 out of maintenance taxes. The section also authorizes  
24 the issuance of preliminary bonds to pay those costs or  
25 costs and expenses incident to the district's  
26 organization. The revised law omits this language as  
27 executed. The district was created in 1971, and  
28 expenses of creating and organizing the district have  
29 since been paid. The omitted law reads:

30           Sec. 10. . . .  
31           The district's directors are  
32 authorized to pay all necessary costs and  
33 expenses necessarily incurred in the  
34 creation and organization of district and  
35 to reimburse any person, corporation, or  
36 association for money advanced for such  
37 purposes. Such payment may be made from the  
38 proceeds of the first sale of bonds by the  
39 district or out of maintenance taxes. [In  
40 addition, the district may issue its  
41 preliminary bonds, which need not be  
42 designated as such, to provide a fund to pay  
43 said costs] of creation and organization

1 and . . . [all other costs and expenses  
2 incident to] the organization of the  
3 district and . . . .

4 (4) Section 23, Chapter 135, Acts of the 62nd  
5 Legislature, Regular Session, 1971, contains  
6 legislative findings relating to the performance of  
7 the requirements of Section 59(d), Article XVI, Texas  
8 Constitution, and to the authority of the legislature  
9 to enact that chapter. The revised law omits the  
10 provision as executed. The omitted law reads:

11 Sec. 23. The Legislature  
12 specifically finds and declares that the  
13 requirements of Article XVI, Section 59(d),  
14 Constitution of Texas, have been done and  
15 accomplished in due course and time, and in  
16 due order, and that the Legislature has the  
17 power and authority to enact this Act.

18 (5) Section 25, Chapter 135, Acts of the 62nd  
19 Legislature, Regular Session, 1971, provides that the  
20 act is severable. The revised law omits that provision  
21 because the same result is produced by the application  
22 of Section 311.032, Government Code (Code Construction  
23 Act), which provides that a provision of a statute is  
24 severable from each other provision of the statute  
25 that can be given effect. The omitted law reads:

26 Sec. 25. If any word, phrase, clause,  
27 paragraph, sentence, part, portion or  
28 provision of this Act or the application  
29 thereof to any person or circumstance shall  
30 be held to be invalid or unconstitutional,  
31 the remainder of the Act shall nevertheless  
32 be valid; and the Legislature hereby  
33 declares that this Act would have been  
34 enacted, without such invalid or  
35 unconstitutional word, phrase, clause,  
36 paragraph, sentence, part, portion or  
37 provision.

38 CHAPTER 7805. IRVING FLOOD CONTROL DISTRICT SECTION III

39 SUBCHAPTER A. GENERAL PROVISIONS

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43 [Sections 7805.004-7805.050 reserved for expansion]

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5 [Sections 7805.054-7805.100 reserved for expansion]

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11 [Sections 7805.104-7805.150 reserved for expansion]

12 SUBCHAPTER D. BONDS AND TAXES

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19 CHAPTER 7805. IRVING FLOOD CONTROL DISTRICT SECTION III

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Revised Law

22 Sec. 7805.001. DEFINITIONS. In this chapter:

- 23 (1) "Board" means the district's board of directors.
- 24 (2) "Director" means a board member.
- 25 (3) "District" means the Irving Flood Control District

26 Section III of Dallas County. (Acts 68th Leg., R.S., Ch. 1073, Sec.  
27 2 (part); New.)

28 Source Law

29 Sec. 2. The district shall continue to be  
30 designated as Irving Flood Control District Section  
31 III of Dallas County, Texas, and . . . .

32 Revisor's Note

33 The definitions of "board" and "director" are  
34 added to the revised law for drafting convenience and  
35 to eliminate frequent, unnecessary repetition of the

1 substance of the definitions.

2 Revised Law

3 Sec. 7805.002. NATURE OF DISTRICT. (a) The district is  
4 established under Section 59, Article XVI, Texas Constitution, and  
5 Chapter 7803.

6 (b) The district is a separate and independent conservation  
7 and reclamation district and a political subdivision of this state.

8 (c) The district is a separately defined area of Irving  
9 Flood Control District Section I. (Acts 68th Leg., R.S., Ch. 1073,  
10 Sec. 1(a).)

11 Source Law

12 Sec. 1. (a) Pursuant to Article XVI, Section 59,  
13 of the Texas Constitution, and Chapter 135, Acts of the  
14 62nd Legislature, Regular Session, 1971 (Article  
15 8280-477, Vernon's Texas Civil Statutes), Irving Flood  
16 Control District Section III was established as a  
17 separately defined area of Irving Flood Control  
18 District. The district is declared to be validly  
19 existing and shall be a separate and independent  
20 conservation and reclamation district and political  
21 subdivision of the state.

22 Revisor's Note

23 (1) Section 1(a), Chapter 1073, Acts of the 68th  
24 Legislature, Regular Session, 1983, refers to Chapter  
25 135, Acts of the 62nd Legislature, Regular Session,  
26 1971 (Article 8280-477, Vernon's Texas Civil  
27 Statutes), which created Irving Flood Control District  
28 Section I (see Revisor's Note (3) below). That statute  
29 is revised as Chapter 7803 of this code. Throughout  
30 this chapter, the revised law substitutes "Chapter  
31 7803" for references to Chapter 135, Acts of the 62nd  
32 Legislature, Regular Session, 1971 (Article 8280-477,  
33 Vernon's Texas Civil Statutes).

34 (2) Section 1(a), Chapter 1073, Acts of the 68th  
35 Legislature, Regular Session, 1983, states that the  
36 district "is declared to be validly existing." The  
37 revised law omits the quoted language because it  
38 served its purpose on the day it took effect and is  
39 executed law. Section 311.031(a)(2), Government Code

1 (Code Construction Act), provides that the repeal of a  
2 statute does not affect any validation previously made  
3 under the statute. Therefore, the omission of the  
4 executed validation provision does not affect the  
5 validation.

6 (3) Section 1(a), Chapter 1073, Acts of the 68th  
7 Legislature, Regular Session, 1983, refers to the  
8 district as being a separately defined area of "Irving  
9 Flood Control District." In November 1983, the Texas  
10 Department of Water Resources, the agency with the  
11 relevant regulatory authority at that time, approved  
12 an application by the Irving Flood Control District to  
13 change its name to "Irving Flood Control District  
14 Section I." The revised law is drafted accordingly.

15 Revised Law

16 Sec. 7805.003. DISTRICT TERRITORY. The district is  
17 composed of the territory located within the redefined boundaries  
18 of the district filed in the deed records of Dallas County, Texas,  
19 on October 1, 1983, as that territory may have been modified under:

- 20 (1) Subchapter J, Chapter 49, Water Code; or  
21 (2) other law. (Acts 68th Leg., R.S., Ch. 1073, Sec. 2  
22 (part); New.)

23 Source Law

24 Sec. 2. The district . . . shall include all  
25 property located within the redefined boundaries of  
26 the district filed in the deed records of Dallas  
27 County, Texas, on the effective date of this Act. . . .

28 Revisor's Note

29 (1) Section 2, Chapter 1073, Acts of the 68th  
30 Legislature, Regular Session, 1983, refers to  
31 "property" located within the boundaries of the  
32 district. The revised law substitutes "territory" for  
33 "property" because, in context, the terms are  
34 synonymous and "territory" is more commonly used.

35 (2) Section 2, Chapter 1073, Acts of the 68th  
36 Legislature, Regular Session, 1983, refers to the

1 boundaries of the district filed in the deed records of  
2 Dallas County, Texas, "on the effective date of this  
3 Act." Chapter 1073 took effect on October 1, 1983, and  
4 the revised law is drafted accordingly.

5 (3) For the reader's convenience, the revised  
6 law adds a reference to the district's authority to  
7 change the district's territory under Subchapter J,  
8 Chapter 49, Water Code, applicable to the district  
9 under Sections 49.001 and 49.002 of that chapter. The  
10 revised law also includes a reference to the general  
11 authority of the legislature to enact other laws to  
12 change the district's territory.

13 (4) Section 2, Chapter 1073, Acts of the 68th  
14 Legislature, Regular Session, 1983, validates the  
15 district boundaries. The revised law omits the  
16 language regarding the validation for the reason  
17 stated in Revisor's Note (2) to Section 7805.002. The  
18 omitted law reads:

19 Sec. 2. . . . Those boundaries are  
20 validated.

21 [Sections 7805.004-7805.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Revised Law

24 Sec. 7805.051. COMPOSITION OF BOARD; TERM. (a) The board is  
25 composed of five directors appointed by the city council of the City  
26 of Irving, Texas.

27 (b) Directors serve staggered two-year terms, with the  
28 terms of two directors expiring on the second Tuesday in January of  
29 each even-numbered year and the terms of three directors expiring  
30 on the second Tuesday in January of each odd-numbered year. (Acts  
31 68th Leg., R.S., Ch. 1073, Secs. 3(a), (b) (part), (c).)

32 Source Law

33 Sec. 3. (a) As soon as possible after this Act  
34 takes effect, the City Council of the City of Irving,  
35 Texas, shall appoint the board of directors of the  
36 district.

37 (b) The board is composed of five directors,

1 . . . .  
2 (c) Two of the persons appointed to the initial  
3 board shall be appointed for a term that expires on the  
4 second Tuesday in January, 1984, and three of the  
5 persons appointed to the initial board shall be  
6 appointed for a term that expires on the second Tuesday  
7 in January, 1985. On the expiration of the terms of  
8 the initial directors, the city council shall appoint  
9 all succeeding directors for a two-year term of  
10 office.

11 Revisor's Note

12 Section 3, Chapter 1073, Acts of the 68th  
13 Legislature, Regular Session, 1983, provides for the  
14 appointment and terms of the initial directors and  
15 that the terms of those directors expire in January of  
16 1984 and 1985. The revised law omits those provisions  
17 as executed but revises the establishment of a board  
18 consisting of five directors appointed by the city  
19 council of the City of Irving, Texas, for two-year  
20 terms. Section 3(c) also establishes staggered terms  
21 for the succeeding appointed directors on expiration  
22 of the terms of the initial directors. The revised law  
23 preserves the establishment of staggered terms.

24 Revised Law

25 Sec. 7805.052. QUALIFICATIONS FOR OFFICE. A director must  
26 own land in the district or be a resident of the district. (Acts  
27 68th Leg., R.S., Ch. 1073, Sec. 3(b) (part).)

28 Source Law

29 (b) [The board is composed of five directors,]  
30 each of whom either owns land in or is a resident of the  
31 district.

32 Revised Law

33 Sec. 7805.053. DIRECTOR'S BOND. As soon as possible after  
34 appointment, each director shall qualify for office and execute a  
35 sufficient bond in the amount of \$5,000 that is:

- 36 (1) payable to the district; and  
37 (2) conditioned on the faithful performance of the  
38 director's duties. (Acts 68th Leg., R.S., Ch. 1073, Sec. 3(d).)

39 Source Law

40 (d) As soon as possible after appointment, each  
41 director shall qualify for office and shall execute a

1 sufficient bond in an amount of \$5,000 payable to the  
2 district and conditioned on the faithful performance  
3 of his duties.

4 Revisor's Note  
5 (End of Subchapter)

6 Section 3(e), Chapter 1073, Acts of the 68th  
7 Legislature, Regular Session, 1983, provides that the  
8 powers of the district are exercised by the board. The  
9 revised law omits the provision because it duplicates,  
10 in substance, provisions of Sections 49.051 and  
11 49.057, Water Code. Throughout this chapter, the  
12 revised law omits law that is superseded by Chapter 49,  
13 Water Code, or that duplicates law contained in that  
14 chapter. Chapter 49 applies to the district under  
15 Sections 49.001 and 49.002 of that chapter. The  
16 omitted law reads:

17 (e) The powers of the district shall  
18 be exercised by the board of directors.

19 [Sections 7805.054-7805.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Revised Law

22 Sec. 7805.101. GENERAL DISTRICT POWERS. The district has  
23 the rights, powers, purposes, and functions provided by Chapter  
24 7803 of this code and Chapter 49, Water Code. (Acts 68th Leg.,  
25 R.S., Ch. 1073, Sec. 1(b) (part); New.)

26 Source Law

27 (b) The district may exercise the rights,  
28 powers, purposes, authority, and functions provided by  
29 Chapter 135, Acts of the 62nd Legislature, Regular  
30 Session, 1971 (Article 8280-477, Vernon's Texas Civil  
31 Statutes). . . .

32 Revisor's Note

33 (1) Section 1(b), Chapter 1073, Acts of the 68th  
34 Legislature, Regular Session, 1983, provides that the  
35 district "may exercise" certain powers. The revised  
36 law substitutes "has" for the quoted language because,  
37 in context, the terms are synonymous and "has" is more  
38 commonly used.

39 (2) Section 1(b), Chapter 1073, Acts of the 68th

1 Legislature, Regular Session, 1983, refers to the  
2 "rights, powers, purposes, [and] authority" of the  
3 district. The revised law omits the reference to  
4 "authority" because, in context, "authority" is  
5 included in the meaning of "rights, powers, [and]  
6 purposes."

7 (3) For the reader's convenience, the revised  
8 law adds a reference to Chapter 49, Water Code,  
9 generally applicable under Sections 49.001 and 49.002  
10 of that chapter to districts created under Section 59,  
11 Article XVI, Texas Constitution.

12 Revised Law

13 Sec. 7805.102. CONFLICTS OF LAW. (a) If a provision of  
14 Chapter 7803 is in conflict or inconsistent with this chapter, this  
15 chapter controls.

16 (b) The provisions of Chapter 7803 not in conflict or  
17 inconsistent with this chapter continue in effect. (Acts 68th Leg.,  
18 R.S., Ch. 1073, Secs. 1(b) (part), (c).)

19 Source Law

20 (b) [The district may exercise . . . provided by  
21 Chapter 135, Acts of the 62nd Legislature, Regular  
22 Session, 1971 (Article 8280-477, Vernon's Texas Civil  
23 Statutes).] If any provision of that chapter is in  
24 conflict or inconsistent with this Act, this Act  
25 prevails.

26 (c) The provisions of Chapter 135, Acts of the  
27 62nd Legislature, Regular Session, 1971 (Article  
28 8280-477, Vernon's Texas Civil Statutes), that are not  
29 in conflict or inconsistent with this Act continue in  
30 effect.

31 Revised Law

32 Sec. 7805.103. PROHIBITION OF POLICE AND FIREFIGHTING  
33 FUNCTIONS. The district may not:

- 34 (1) engage in any police or firefighting functions; or  
35 (2) spend any district money or issue bonds for any  
36 police or firefighting function. (Acts 68th Leg., R.S., Ch. 1073,  
37 Sec. 8.)

38 Source Law

39 Sec. 8. The district is expressly prohibited  
40 from engaging in any police or fire-fighting functions

1 or spending any district funds or issuing bonds for  
2 those purposes.

3 Revisor's Note

4 Section 8, Chapter 1073, Acts of the 68th  
5 Legislature, Regular Session, 1983, refers to the  
6 district's "funds." The revised law substitutes  
7 "money" for "funds" because, in the context of  
8 district funds, the meaning is the same and "money" is  
9 the more commonly used term.

10 [Sections 7805.104-7805.150 reserved for expansion]

11 SUBCHAPTER D. BONDS AND TAXES

12 Revised Law

13 Sec. 7805.151. AUTHORITY TO ISSUE BONDS; TAXES FOR BONDS.

14 (a) The district may issue and sell all unissued bonds that have  
15 been authorized at an election held in the district.

16 (b) The district may impose an ad valorem tax on all taxable  
17 property in the district to pay the principal of and interest on the  
18 bonds. (Acts 68th Leg., R.S., Ch. 1073, Sec. 4(a).)

19 Source Law

20 Sec. 4. (a) The district may issue and sell all  
21 unissued bonds that have been authorized at elections  
22 held within the district, and may levy and collect an  
23 ad valorem tax on all taxable property in the district  
24 to pay the principal of and interest on the bonds.

25 Revisor's Note

26 Section 4(a), Chapter 1073, Acts of the 68th  
27 Legislature, Regular Session, 1983, authorizes the  
28 district to "levy and collect" an ad valorem tax. The  
29 revised law substitutes "impose" for "levy and  
30 collect" because "impose" is the term generally used  
31 in Title 1, Tax Code, and includes the levying and  
32 collection of a tax.

33 Revised Law

34 Sec. 7805.152. ASSUMPTION OF INDEBTEDNESS, CONTRACTS. The  
35 district shall assume and be responsible for all outstanding  
36 indebtedness and existing contracts. (Acts 68th Leg., R.S., Ch.  
37 1073, Sec. 4(b) (part).)



1 refunding bonds, the district may refund any  
2 outstanding bonds by calling and holding an election  
3 at which the qualified voters of the district voting at  
4 the election approve a proposition that states the  
5 maximum interest rate and maturity applicable to the  
6 refunding bonds, which rate and maturity may exceed  
7 the maximum rate and maturity applicable to any  
8 outstanding bonds being refunded.

9 (b) The election shall be called and held as  
10 provided by Chapter 135, Acts of the 62nd Legislature,  
11 Regular Session, 1971 (Article 8280-477, Vernon's  
12 Texas Civil Statutes). The ballot shall be printed to  
13 provide for voting for or against the proposition:  
14 "For the issuance of refunding bonds and the levy of  
15 taxes in payment of those bonds."

16 Revisor's Note

17 (1) Section 6(a), Chapter 1073, Acts of the 68th  
18 Legislature, Regular Session, 1983, provides that  
19 "[i]n addition to all other laws applicable to the  
20 district authorizing the issuance of refunding bonds,"  
21 the district may refund outstanding bonds by holding  
22 an election. The revised law omits the quoted language  
23 as unnecessary because an accepted general principle  
24 of statutory construction requires a statute to be  
25 given cumulative effect with other statutes unless it  
26 provides otherwise or unless the statutes are in  
27 conflict. The general principle applies to this  
28 revision.

29 (2) Section 6, Chapter 1073, Acts of the 68th  
30 Legislature, Regular Session, 1983, refers to "calling  
31 and holding an election" and refers to an election  
32 being "called and held." The revised law omits  
33 "calling" and "called" because, in this context, the  
34 meaning of those terms is included in the meaning of  
35 "held." Under Chapter 3, Election Code, all elections  
36 must be ordered (called) before they may be held.

37 (3) Section 6(a), Chapter 1073, Acts of the 68th  
38 Legislature, Regular Session, 1983, refers to a vote  
39 of the district's "qualified voters." The revised law  
40 omits "qualified" as unnecessary in this context  
41 because Chapter 11, Election Code, governs eligibility  
42 to vote in an election in this state and allows only

1 "qualified" voters who are residents of the territory  
2 covered by the election to vote in an election.

3 Revised Law

4 Sec. 7805.155. BOND ANTICIPATION NOTES. (a) In addition to  
5 all other methods of acquiring funds for district purposes, the  
6 district may issue bond anticipation notes for any purpose for  
7 which district bonds have been voted or may be issued to refund  
8 outstanding bond anticipation notes and the interest on the notes  
9 being refunded.

10 (b) The notes may bear interest at any rate not to exceed the  
11 maximum interest rate applicable to the district's authorized  
12 bonds.

13 (c) The notes shall mature within one year of the date on  
14 which they are issued.

15 (d) The maximum amount of the notes outstanding at any one  
16 time may not exceed \$500,000 without the prior consent of the City  
17 of Irving, Texas.

18 (e) The district shall pay the notes only from the proceeds  
19 of the sale of bonds by the district. (Acts 68th Leg., R.S., Ch.  
20 1073, Sec. 7.)

21 Source Law

22 Sec. 7. (a) In addition to all other methods of  
23 acquiring funds for district purposes, the district  
24 may issue bond anticipation notes for any purpose for  
25 which bonds have been voted or may be issued to refund  
26 outstanding bond anticipation notes and the interest  
27 on the notes being refunded.

28 (b) Notes issued under this section may bear  
29 interest at any rate not to exceed the maximum interest  
30 rate applicable to the district's authorized bonds,  
31 and shall mature within one year of the date on which  
32 they are issued.

33 (c) The maximum amount of notes issued under  
34 this section outstanding at any one time may not exceed  
35 \$500,000 unless the district obtains the prior consent  
36 of the City of Irving, Texas.

37 (d) Notes issued under this section shall be  
38 paid only from the proceeds of the sale of bonds by the  
39 district.

40 Revisor's Note  
41 (End of Subchapter)

42 (1) Section 4(c), Chapter 1073, Acts of the 68th  
43 Legislature, Regular Session, 1983, validates the

1 bonds of the district outstanding on the effective  
2 date of the act. The revised law omits the language  
3 regarding the validation for the reason stated in  
4 Revisor's Note (2) to Section 7805.002. The omitted  
5 law reads:

6 (c) All bonds of the district  
7 outstanding on the effective date of this  
8 Act are validated.

9 (2) Section 5, Chapter 1073, Acts of the 68th  
10 Legislature, Regular Session, 1983, provides that the  
11 Property Tax Code applies to the district. The revised  
12 law omits the section because the Property Tax Code  
13 (Title 1, Tax Code) applies to the district under  
14 Section 1.02, Tax Code. The omitted law reads:

15 Sec. 5. The Property Tax Code applies  
16 to the district.

17 SECTION 1.03. Subtitle F, Title 6, Special District Local  
18 Laws Code, is amended by adding Chapters 8308, 8312, 8381, 8387,  
19 8388, 8389, 8391, 8393, 8394, 8395, 8396, 8397, 8398, 8399, 8400,  
20 8401, 8402, 8403, 8404, 8405, 8406, 8407, and 8410 to read as  
21 follows:

22 CHAPTER 8308. EAST MONTGOMERY COUNTY MUNICIPAL

23 UTILITY DISTRICT NO. 4

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 8308.001. DEFINITIONS . . . . . 701  
26 Sec. 8308.002. NATURE OF DISTRICT . . . . . 701  
27 Sec. 8308.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 702  
28 Sec. 8308.004. DISTRICT TERRITORY . . . . . 702

29 [Sections 8308.005-8308.050 reserved for expansion]

30 SUBCHAPTER B. BOARD OF DIRECTORS

31 Sec. 8308.051. COMPOSITION OF BOARD . . . . . 704

32 [Sections 8308.052-8308.100 reserved for expansion]

33 SUBCHAPTER C. POWERS AND DUTIES

34 Sec. 8308.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 707  
35 Sec. 8308.102. COMPLIANCE WITH MUNICIPAL CONSENT  
36 ORDINANCES OR RESOLUTIONS . . . . . 707

1 Sec. 8308.103. UTILITY PROPERTY EXEMPT FROM IMPACT  
2 FEES AND ASSESSMENTS . . . . . 708

3 CHAPTER 8308. EAST MONTGOMERY COUNTY MUNICIPAL  
4 UTILITY DISTRICT NO. 4

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Revised Law

7 Sec. 8308.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the board of directors of the  
9 district.

10 (2) "District" means the East Montgomery County  
11 Municipal Utility District No. 4. (Acts 78th Leg., R.S., Ch. 882,  
12 Sec. 1.)

13 Source Law

14 Sec. 1. In this Act:

15 (1) "Board" means the board of directors  
16 of the district.

17 (2) "District" means the East Montgomery  
18 County Municipal Utility District No. 4.

19 Revised Law

20 Sec. 8308.002. NATURE OF DISTRICT. (a) The district is a  
21 municipal utility district in Montgomery County created under  
22 Section 59, Article XVI, Texas Constitution.

23 (b) The district is a political subdivision of this state.  
24 (Acts 78th Leg., R.S., Ch. 882, Secs. 2(a) (part), (b), 3(b)  
25 (part).)

26 Source Law

27 Sec. 2. (a) A municipal utility district, to  
28 be known as the East Montgomery County Municipal  
29 Utility District No. 4, is created in Montgomery  
30 County, . . . .

31 (b) The district is a governmental agency and a  
32 political subdivision of this state.

33 [Sec. 3]

34 (b) The district is created under and . . .  
35 Section 59, Article XVI, Texas Constitution.

36 Revisor's Note

37 (1) Section 2(a), Chapter 882, Acts of the 78th  
38 Legislature, Regular Session, 2003, refers to a  
39 confirmation election. Because the confirmation  
40 election has already been held, the revised law omits

1 the provision as executed. The omitted law reads:

2 (a) . . . subject to approval at a  
3 confirmation election under Section 9 of  
4 this Act.

5 (2) Section 2(b), Chapter 882, Acts of the 78th  
6 Legislature, Regular Session, 2003, provides that the  
7 district is "a governmental agency." The revised law  
8 omits the quoted language because it duplicates part  
9 of Section 59(b), Article XVI, Texas Constitution,  
10 which provides that a district created under Section  
11 59(b) is a governmental agency.

12 Revised Law

13 Sec. 8308.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
14 The district is created to serve a public use and benefit.

15 (b) All land and other property included in the district  
16 will benefit from the works and projects accomplished by the  
17 district under powers conferred by Section 59, Article XVI, Texas  
18 Constitution.

19 (c) The creation of the district is essential to accomplish  
20 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
21 78th Leg., R.S., Ch. 882, Secs. 3(a), (b) (part), (c).)

22 Source Law

23 Sec. 3. (a) The district is created to serve a  
24 public use and benefit.

25 (b) [The district is created under and] is  
26 essential to accomplish the purposes of Section 59,  
27 Article XVI, Texas Constitution.

28 (c) All of the land and other property included  
29 within the boundaries of the district will be  
30 benefited by the works and projects that are to be  
31 accomplished by the district under powers conferred by  
32 Section 59, Article XVI, Texas Constitution.

33 Revised Law

34 Sec. 8308.004. DISTRICT TERRITORY. (a) The district is  
35 composed of the territory described by Section 4, Chapter 882, Acts  
36 of the 78th Legislature, Regular Session, 2003, as that territory  
37 may have been modified under:

- 38 (1) Subchapter J, Chapter 49, Water Code;  
39 (2) Subchapter H, Chapter 54, Water Code; or  
40 (3) other law.

1 (b) The boundaries and field notes of the district form a  
2 closure. A mistake in the field notes or in copying the field notes  
3 in the legislative process does not affect:

4 (1) the district's organization, existence, or  
5 validity;

6 (2) the district's right to impose a tax; or

7 (3) the legality or operation of the district or the  
8 board. (Acts 78th Leg., R.S., Ch. 882, Sec. 5; New.)

9 Source Law

10 Sec. 5. The legislature finds that the  
11 boundaries and field notes of the district form a  
12 closure. If a mistake is made in the field notes or in  
13 copying the field notes in the legislative process,  
14 the mistake does not affect in any way:

15 (1) the organization, existence, or  
16 validity of the district;

17 (2) the right of the district to impose  
18 taxes; or

19 (3) the legality or operation of the  
20 district or the board.

21 Revisor's Note

22 The revision of the law governing the district  
23 does not revise the statutory language describing the  
24 territory of the district to avoid the lengthy  
25 recitation of the description and because that  
26 description may not be accurate on the effective date  
27 of the revision or at the time of a later reading. For  
28 the reader's convenience, the revised law includes  
29 references to the statutory description of the  
30 district's territory and to the authority to change the  
31 district's territory under Subchapter J, Chapter 49,  
32 Water Code, applicable to the district under Sections  
33 49.001 and 49.002 of that chapter, and under  
34 Subchapter H, Chapter 54, Water Code, applicable to  
35 the district under Section 54.001 of that chapter. The  
36 revised law also includes a reference to the general  
37 authority of the legislature to enact a law to change  
38 the district's territory.

39 [Sections 8308.005-8308.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 8308.051. COMPOSITION OF BOARD. The district is  
4 governed by a board of five directors. (Acts 78th Leg., R.S., Ch.  
5 882, Sec. 7(a).)

6 Source Law

7 Sec. 7. (a) The district is governed by a board  
8 of five directors.

9 Revisor's Note

10 (1) Section 7(c), Chapter 882, Acts of the 78th  
11 Legislature, Regular Session, 2003, provides that  
12 directors serve terms of office as provided by Section  
13 49.103, Water Code. The revised law omits Section 7(c)  
14 because Section 49.103, Water Code, applies to the  
15 district by its own terms. As indicated throughout  
16 this chapter, the revised law omits law that  
17 duplicates law contained in Chapter 49, Water Code,  
18 which applies to the district under Sections 49.001  
19 and 49.002 of that chapter. The omitted law reads:

20 (c) Directors serve terms of office  
21 as provided by Section 49.103, Water Code.

22 (2) Section 7(d), Chapter 882, Acts of the 78th  
23 Legislature, Regular Session, 2003, provides that each  
24 director must qualify as provided by Section 49.055,  
25 Water Code. The revised law omits Section 7(d) because  
26 it duplicates Section 49.055, which provides for the  
27 qualification of directors of certain districts,  
28 including municipal utility districts. The omitted  
29 law reads:

30 (d) Each director must qualify to  
31 serve as director in the manner provided by  
32 Section 49.055, Water Code.

33 (3) Section 7(e), Chapter 882, Acts of the 78th  
34 Legislature, Regular Session, 2003, provides that a  
35 director serves until a successor has qualified. The  
36 revised law omits the provision because it duplicates

1 Section 17, Article XVI, Texas Constitution, which  
2 provides that an officer in this state continues to  
3 perform the officer's official duties until a  
4 successor has qualified. The omitted law reads:

5 (e) A director serves until the  
6 director's successor has qualified.

7 Revisor's Note  
8 (End of Subchapter)

9 (1) Section 7(b), Chapter 882, Acts of the 78th  
10 Legislature, Regular Session, 2003, refers to  
11 "temporary" directors of the district and to an  
12 election under Section 9 of that chapter. The revised  
13 law omits Section 7(b) as executed because the terms of  
14 the temporary directors have expired and because the  
15 election has been held. The omitted law reads:

16 (b) Temporary directors serve until  
17 directors are elected under Section 9 of  
18 this Act.

19 (2) Section 8, Chapter 882, Acts of the 78th  
20 Legislature, Regular Session, 2003, provides for the  
21 appointment of "temporary" directors and for certain  
22 procedures relating to their service. Section 9 of  
23 that chapter provides for the "temporary" board to  
24 conduct an election for the district's elected board  
25 and to confirm the district's creation. The revised  
26 law omits those sections as executed. The omitted law  
27 reads:

28 Sec. 8. (a) On or after the  
29 effective date of this Act, a person who  
30 owns land included in the district may  
31 petition the Texas Commission on  
32 Environmental Quality to appoint the five  
33 temporary directors listed in the petition.  
34 The commission shall appoint the directors  
35 listed in the petition. If the commission  
36 receives more than one petition under this  
37 subsection, the commission shall appoint  
38 the directors listed in the first petition  
39 the commission receives.

40 (b) A person appointed to be a  
41 temporary director shall take the oath of  
42 office as soon as practicable.

43 (c) If an appointee of the Texas  
44 Commission on Environmental Quality fails  
45 to qualify or if a vacancy occurs in the

1 office of temporary director, the  
2 commission shall appoint an individual to  
3 fill the vacancy.

4 (d) As soon as all temporary  
5 directors have qualified, the directors  
6 shall meet and elect officers from among  
7 their membership.

8 Sec. 9. (a) The temporary board  
9 shall call and hold an election to confirm  
10 establishment of the district and to elect  
11 directors under Section 49.102, Water Code.

12 (b) Section 41.001(a), Election  
13 Code, does not apply to a confirmation and  
14 directors' election held as provided by this  
15 section.

16 (3) Sections 10(a) and (c), Chapter 882, Acts of  
17 the 78th Legislature, Regular Session, 2003, provide  
18 for the first directors' election following the  
19 confirmation and directors' election under Section 9,  
20 Chapter 882, Acts of the 78th Legislature, Regular  
21 Session, 2003. The revised law omits the provisions as  
22 executed because the first election has been held. The  
23 omitted law reads:

24 Sec. 10. (a) On the uniform  
25 election date in May of the first  
26 even-numbered year after the year in which  
27 the district is authorized to be created at  
28 a confirmation election, an election shall  
29 be held in the district for the election of  
30 the appropriate number of directors to  
31 replace the directors serving shorter terms  
32 from the confirmation election as provided  
33 by Section 49.102(h), Water Code.

34 (c) The board of directors by order  
35 may postpone the first election under  
36 Subsection (a) of this section following  
37 the confirmation and directors' election  
38 held in accordance with the provisions of  
39 Section 9 of this Act if:

40 (1) the election will occur  
41 within 60 days after the date on which the  
42 confirmation election is held; or

43 (2) the board determines that  
44 there is not sufficient time to comply with  
45 the requirements of law and to order the  
46 election.

47 (4) Section 10(b), Chapter 882, Acts of the 78th  
48 Legislature, Regular Session, 2003, requires  
49 directors' elections to be held on the uniform election  
50 date in May of each even-numbered year following the  
51 first election under Section 10(a) of Chapter 882. The  
52 revised law omits the provision because it duplicates

1 in substance Section 49.103(b), Water Code. The  
2 omitted law reads:

3 (b) On the uniform election date in  
4 May of each subsequent even-numbered year  
5 following the election, the appropriate  
6 number of directors shall be elected.

7 [Sections 8308.052-8308.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Revised Law

10 Sec. 8308.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
11 district has the rights, powers, privileges, functions, and duties  
12 provided by general law applicable to a municipal utility district  
13 created under Section 59, Article XVI, Texas Constitution,  
14 including Chapters 49 and 54, Water Code. (Acts 78th Leg., R.S.,  
15 Ch. 882, Sec. 11.)

16 Source Law

17 Sec. 11. The district has all of the rights,  
18 powers, privileges, authority, functions, and duties  
19 provided by the general law of this state, including  
20 Chapters 49 and 54, Water Code, applicable to  
21 municipal utility districts created under Section 59,  
22 Article XVI, Texas Constitution.

23 Revisor's Note

24 Section 11, Chapter 882, Acts of the 78th  
25 Legislature, Regular Session, 2003, refers to the  
26 "rights, powers, privileges, [and] authority" of the  
27 district. The revised law omits "authority" because,  
28 in context, "authority" is included in the meaning of  
29 "rights, powers, [and] privileges."

30 Revised Law

31 Sec. 8308.102. COMPLIANCE WITH MUNICIPAL CONSENT  
32 ORDINANCES OR RESOLUTIONS. Subject to the limitations of Section  
33 54.016, Water Code, the district shall comply with all applicable  
34 requirements of any ordinance or resolution adopted by a  
35 municipality in whose corporate limits or extraterritorial  
36 jurisdiction the district is located, including an ordinance or  
37 resolution adopted before September 1, 2003, that consents to the  
38 creation of the district or to the inclusion of lands in the

1 district. (Acts 78th Leg., R.S., Ch. 882, Sec. 13.)

2 Source Law

3 Sec. 13. Subject to the limitations of Section  
4 54.016, Water Code, the district shall comply with all  
5 applicable requirements of any ordinance or resolution  
6 adopted by a municipality in the corporate limits or  
7 extraterritorial jurisdiction of which the district is  
8 located, including an ordinance or resolution adopted  
9 before the effective date of this Act, that consents to  
10 the creation of the district or to the inclusion of  
11 lands within the district.

12 Revisor's Note

13 Section 13, Chapter 882, Acts of the 78th  
14 Legislature, Regular Session, 2003, refers to "the  
15 effective date of this Act." The revised law  
16 substitutes "September 1, 2003," because that is the  
17 date Chapter 882 took effect.

18 Revised Law

19 Sec. 8308.103. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
20 ASSESSMENTS. The district may not impose an impact fee or  
21 assessment on the property, including the equipment,  
22 rights-of-way, facilities, or improvements, of:

- 23 (1) an electric utility as defined by Section 31.002,  
24 Utilities Code;
- 25 (2) a gas utility as defined by Section 101.003 or  
26 121.001, Utilities Code;
- 27 (3) a telecommunications provider as defined by  
28 Section 51.002, Utilities Code; or
- 29 (4) a cable operator as defined by 47 U.S.C. Section  
30 522, as amended. (Acts 78th Leg., R.S., Ch. 882, Sec. 12.)

31 Source Law

32 Sec. 12. The district may not impose an impact  
33 fee or assessment on the property, equipment, rights  
34 of way, facilities, or improvements of an electric  
35 utility as defined by Section 31.002, Utilities Code,  
36 a gas utility as defined by Section 101.003 or 121.001,  
37 Utilities Code, a telecommunications provider as  
38 defined by Section 51.002, Utilities Code, or a cable  
39 operator as defined by 47 U.S.C. Section 522, as  
40 amended.

41 Revisor's Note  
42 (End of Chapter)

43 (1) Section 6, Chapter 882, Acts of the 78th

1 Legislature, Regular Session, 2003, provides that the  
2 act prevails over general law in case of a conflict or  
3 other inconsistency. The revised law omits the  
4 provision because it duplicates Section 311.026,  
5 Government Code (Code Construction Act). The omitted  
6 law reads:

7           Sec. 6. This Act prevails over any  
8           provision of general law that is in conflict  
9           or inconsistent with this Act.

10           (2) Section 14, Chapter 882, Acts of the 78th  
11 Legislature, Regular Session, 2003, recites  
12 legislative findings regarding procedural  
13 requirements for the creation of the district under  
14 the constitution and other laws and rules, including  
15 proper legal notice and the filing of recommendations.  
16 The revised law omits those provisions as executed.  
17 The omitted law reads:

18           Sec. 14. (a) The legal notice of the  
19           intention to introduce this Act, setting  
20           forth the general substance of this Act, has  
21           been published as provided by law, and the  
22           notice and a copy of this Act have been  
23           furnished to all persons, agencies,  
24           officials, or entities to which they are  
25           required to be furnished under Section 59,  
26           Article XVI, Texas Constitution, and  
27           Chapter 313, Government Code. The governor,  
28           one of the required recipients, has  
29           submitted the notice and Act to the Texas  
30           Commission on Environmental Quality.

31           (b) The Texas Commission on  
32           Environmental Quality has filed its  
33           recommendations relating to this Act with  
34           the governor, lieutenant governor, and  
35           speaker of the house of representatives  
36           within the required time.

37           (c) All requirements of the  
38           constitution and laws of this state and the  
39           rules and procedures of the legislature  
40           with respect to the notice, introduction,  
41           and passage of this Act are fulfilled and  
42           accomplished.

43 CHAPTER 8312. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 387

44 SUBCHAPTER A. GENERAL PROVISIONS

45 Sec. 8312.001. DEFINITION . . . . . 710  
46 Sec. 8312.002. NATURE OF DISTRICT . . . . . 710  
47 Sec. 8312.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 711

1 Sec. 8312.004. DISTRICT TERRITORY . . . . . 711  
2 [Sections 8312.005-8312.050 reserved for expansion]  
3 SUBCHAPTER B. BOARD OF DIRECTORS  
4 Sec. 8312.051. COMPOSITION OF BOARD; TERMS . . . . . 713  
5 [Sections 8312.052-8312.100 reserved for expansion]  
6 SUBCHAPTER C. POWERS AND DUTIES  
7 Sec. 8312.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 717  
8 Sec. 8312.102. COMPLIANCE WITH MUNICIPAL CONSENT  
9 ORDINANCES OR RESOLUTIONS . . . . . 718  
10 Sec. 8312.103. RELOCATING OR ALTERING PROPERTY; COSTS . . . 719  
11 Sec. 8312.104. UTILITY PROPERTY EXEMPT FROM IMPACT  
12 FEES AND ASSESSMENTS . . . . . 719

13 CHAPTER 8312. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 387

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Revised Law

16 Sec. 8312.001. DEFINITION. In this chapter, "district"  
17 means the Harris County Municipal Utility District No. 387. (Acts  
18 77th Leg., R.S., Ch. 1382, Sec. 2.)

19 Source Law

20 Sec. 2. In this Act, "district" means the Harris  
21 County Municipal Utility District No. 387.

22 Revised Law

23 Sec. 8312.002. NATURE OF DISTRICT. The district is a  
24 conservation and reclamation district in Harris County, created  
25 under Section 59, Article XVI, Texas Constitution. (Acts 77th  
26 Leg., R.S., Ch. 1382, Secs. 1(a) (part), (b) (part).)

27 Source Law

28 Sec. 1. (a) A conservation and reclamation  
29 district, to be known as the Harris County Municipal  
30 Utility District No. 387, is created in Harris County,  
31 . . . .  
32 (b) The district is created under and . . .  
33 Section 59, Article XVI, Texas Constitution.

34 Revisor's Note

35 (1) Section 1(a), Chapter 1382, Acts of the 77th  
36 Legislature, Regular Session, 2001, refers to a  
37 confirmation election. Because the confirmation

1 election has already been held, the revised law omits  
2 the provision as executed. The omitted law reads:

3 (a) . . . subject to approval at a  
4 confirmation election under Section 10 of  
5 this Act. . . .

6 (2) Section 1(a), Chapter 1382, Acts of the 77th  
7 Legislature, Regular Session, 2001, provides that the  
8 district is a governmental agency and a body politic  
9 and corporate. The revised law omits the provision  
10 because it duplicates a portion of Section 59(b),  
11 Article XVI, Texas Constitution, which provides that a  
12 conservation and reclamation district is a  
13 governmental agency and a body politic and corporate.  
14 The omitted law reads:

15 (a) . . . The district is a  
16 governmental agency and a body politic and  
17 corporate.

18 Revised Law

19 Sec. 8312.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
20 The district is created to serve a public use and benefit.

21 (b) All land and other property included in the district  
22 will benefit from the works and projects accomplished by the  
23 district under the powers conferred by Section 59, Article XVI,  
24 Texas Constitution.

25 (c) The creation of the district is essential to accomplish  
26 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
27 77th Leg., R.S., Ch. 1382, Secs. 1(b) (part), 5.)

28 Source Law

29 [Sec. 1]

30 (b) [The district is created under and] is  
31 essential to accomplish the purposes of Section 59,  
32 Article XVI, Texas Constitution.

33 Sec. 5. All of the land and other property  
34 included within the boundaries of the district will be  
35 benefited by the works and projects that are to be  
36 accomplished by the district under powers conferred by  
37 Section 59, Article XVI, Texas Constitution. The  
38 district is created to serve a public use and benefit.

39 Revised Law

40 Sec. 8312.004. DISTRICT TERRITORY. (a) The district is

1 composed of the territory described by Section 3, Chapter 1382,  
2 Acts of the 77th Legislature, Regular Session, 2001, as that  
3 territory may have been modified under:

- 4 (1) Subchapter H, Chapter 54, Water Code;
- 5 (2) Subchapter J, Chapter 49, Water Code; or
- 6 (3) other law.

7 (b) The boundaries and field notes of the district form a  
8 closure. A mistake in the field notes or in copying the field notes  
9 in the legislative process does not affect:

- 10 (1) the district's organization, existence, or  
11 validity;
- 12 (2) the validity of district bonds, notes, or other  
13 indebtedness;
- 14 (3) the district's right to impose a tax; or
- 15 (4) the legality or operation of the district or its  
16 governing body. (Acts 77th Leg., R.S., Ch. 1382, Sec. 4; New.)

17 Source Law

18 Sec. 4. The legislature finds that the  
19 boundaries and field notes of the district form a  
20 closure. A mistake in the field notes or in copying the  
21 field notes in the legislative process does not affect  
22 the organization, existence, or validity of the  
23 district, the validity of its bonds, notes, or other  
24 indebtedness, the right of the district to levy and  
25 collect taxes, or the legality or operation of the  
26 district or its governing body.

27 Revisor's Note

28 (1) The revision of the law governing the  
29 district does not revise the statutory language  
30 describing the territory of the district to avoid the  
31 recitation of the description and because that  
32 description may not be accurate on the effective date  
33 of the revision or at the time of a later reading. For  
34 the reader's convenience, the revised law includes  
35 references to the statutory description of the  
36 district's territory and to the authority to change the  
37 district's territory under Subchapter H, Chapter 54,  
38 Water Code, applicable to municipal utility districts,

1 and under Subchapter J, Chapter 49, Water Code,  
2 applicable to the district under Sections 49.001 and  
3 49.002 of that chapter. The revised law also includes  
4 a reference to the general authority of the  
5 legislature to enact a law to change the district's  
6 territory.

7 (2) Section 4, Chapter 1382, Acts of the 77th  
8 Legislature, Regular Session, 2001, refers to the  
9 district's authority to "levy and collect" taxes. The  
10 revised law substitutes "impose" for "levy and  
11 collect" because "impose" is the term generally used  
12 in Title 1, Tax Code, and includes the levy and  
13 collection of a tax.

14 [Sections 8312.005-8312.050 reserved for expansion]

15 SUBCHAPTER B. BOARD OF DIRECTORS

16 Revised Law

17 Sec. 8312.051. COMPOSITION OF BOARD; TERMS. (a) The  
18 district is governed by a board of five directors.

19 (b) Directors serve staggered four-year terms. (Acts 77th  
20 Leg., R.S., Ch. 1382, Secs. 8(a), (d).)

21 Source Law

22 Sec. 8. (a) The district is governed by a board  
23 of five directors.

24 (d) Permanent directors serve staggered  
25 four-year terms.

26 Revisor's Note

27 (1) Section 8(d), Chapter 1382, Acts of the 77th  
28 Legislature, Regular Session, 2001, refers to  
29 "[p]ermanent" directors. Sections 8, 9, and 10 of  
30 Chapter 1382 refer to "temporary," "initial," and  
31 "permanent" directors to distinguish between the  
32 "temporary" directors appointed by the Texas Natural  
33 Resource Conservation Commission, the directors who  
34 immediately succeeded the "temporary" directors after  
35 the first election of directors, and subsequently

1 serving directors. Because the revised law omits  
2 provisions regarding "temporary" and "initial"  
3 directors as executed (see the revisor's notes at the  
4 end of this subchapter), the revised law also omits  
5 "permanent" because it does not contribute to the  
6 clear meaning of the law.

7 (2) Section 8(e), Chapter 1382, Acts of the 77th  
8 Legislature, Regular Session, 2001, provides that each  
9 director must qualify as provided by Section 49.055,  
10 Water Code. The revised law omits Section 8(e) because  
11 it duplicates Section 49.055, which provides for the  
12 qualification of directors and applies to the district  
13 under Section 6(a), Chapter 1382, Acts of the 77th  
14 Legislature, Regular Session, 2001 (revised in this  
15 chapter as Section 8312.101), and under Sections  
16 49.001 and 49.002, Water Code. The omitted law reads:

17 (e) Each director must qualify to  
18 serve as director in the manner provided by  
19 Section 49.055, Water Code.

20 (3) Section 8(f), Chapter 1382, Acts of the 77th  
21 Legislature, Regular Session, 2001, provides that a  
22 director serves until a successor has qualified. The  
23 revised law omits the provision because it duplicates  
24 Section 17, Article XVI, Texas Constitution, which  
25 provides that an officer in this state continues to  
26 perform the officer's official duties until a  
27 successor has qualified. The omitted law reads:

28 (f) A director serves until the  
29 director's successor has qualified.

30 Revisor's Note  
31 (End of Subchapter)

32 (1) Sections 8(b) and (c), Chapter 1382, Acts of  
33 the 77th Legislature, Regular Session, 2001, refer to  
34 "temporary" and "initial" directors of the district  
35 and to elections under Sections 10 and 11 of that  
36 chapter. The revised law omits Sections 8(b) and (c)

1 as executed because the terms of the temporary and  
2 initial directors have expired and because the  
3 elections have been held. The omitted law reads:

4 (b) Temporary directors serve until  
5 initial directors are elected under Section  
6 10 of this Act.

7 (c) Initial directors serve until  
8 permanent directors are elected under  
9 Section 11 of this Act.

10 (2) Section 9, Chapter 1382, Acts of the 77th  
11 Legislature, Regular Session, 2001, provides for the  
12 appointment of "temporary" directors and for certain  
13 procedures relating to their service. Section 10 of  
14 that chapter provides for the "temporary" board to  
15 conduct an election for the district's initial elected  
16 board and to confirm the district's creation. The  
17 revised law omits those sections as executed. The  
18 omitted law reads:

19 Sec. 9. (a) On or after the  
20 effective date of this Act, a person who  
21 owns land included in the district may  
22 petition the Texas Natural Resource  
23 Conservation Commission to appoint the five  
24 temporary directors listed in the petition.  
25 The commission shall appoint the directors  
26 listed in the petition. If the commission  
27 receives more than one petition under this  
28 subsection, the commission shall appoint  
29 the directors listed in the first petition  
30 the commission receives.

31 (b) A person appointed to be a  
32 temporary director shall take the oath of  
33 office as soon as practicable.

34 (c) If an appointee of the commission  
35 fails to qualify or if a vacancy occurs in  
36 the office of temporary director, the Texas  
37 Natural Resource Conservation Commission  
38 shall appoint an individual to fill the  
39 vacancy.

40 (d) As soon as all temporary  
41 directors have qualified, the directors  
42 shall meet and elect officers from among  
43 their membership.

44 Sec. 10. (a) The temporary board of  
45 directors shall call and hold an election to  
46 confirm establishment of the district and  
47 to elect five initial directors as provided  
48 by Chapter 49, Water Code.

49 (b) Section 41.001(a), Election  
50 Code, does not apply to a confirmation and  
51 initial directors' election held as  
52 provided by this section.

53 (3) Sections 11(a) and (b), Chapter 1382, Acts

1 of the 77th Legislature, Regular Session, 2001,  
2 provide for the first directors' election following  
3 the confirmation and initial directors' election. The  
4 revised law omits the provisions as executed because  
5 the first election has been held. The omitted law  
6 reads:

7           Sec. 11. (a) On the first Saturday  
8 in May of the first even-numbered year after  
9 the year in which the district is authorized  
10 to be created at a confirmation election, an  
11 election shall be held in the district for  
12 the election of two directors to serve  
13 two-year terms and three directors to serve  
14 four-year terms.

15           (b) The board of directors by order  
16 may postpone the election date for two years  
17 if:

18                   (1) the election will occur  
19 within 60 days after the date on which the  
20 confirmation election is held; or

21                   (2) the board determines that  
22 there is not sufficient time to comply with  
23 the requirements of law and to order the  
24 election.

25           (4) Section 11(c), Chapter 1382, Acts of the  
26 77th Legislature, Regular Session, 2001, requires  
27 directors' elections to be held on the first Saturday  
28 in May of each even-numbered year following the first  
29 election. The revised law omits the reference to the  
30 year in which the first directors' election was held as  
31 executed. The revised law omits the remainder of the  
32 provision because it duplicates, in substance, Section  
33 49.103(b), Water Code. Chapter 49, Water Code,  
34 applies to the district under Sections 49.001 and  
35 49.002 of that chapter. Although Section 49.103  
36 refers to the "uniform election date" in May and  
37 Section 11(c) refers to the "first Saturday in May," it  
38 is clear that the legislature meant the former because  
39 "the first Saturday in May" was the uniform election  
40 date in 2001. The omitted law reads:

41           (c) On the first Saturday in May of  
42 each even-numbered year following the first  
43 election held under this section, the  
44 appropriate number of directors shall be  
45 elected.

1 [Sections 8312.052-8312.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Revised Law

4 Sec. 8312.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
5 district has the rights, powers, privileges, functions, and duties  
6 provided by general law applicable to a municipal utility district  
7 created under Section 59, Article XVI, Texas Constitution,  
8 including Chapters 49, 50, and 54, Water Code. (Acts 77th Leg.,  
9 R.S., Ch. 1382, Sec. 6(a) (part).)

10 Source Law

11 Sec. 6. (a) The district has all of the rights,  
12 powers, privileges, authority, functions, and duties  
13 provided by the general law of this state, including  
14 Chapters 49, 50, and 54, Water Code, applicable to  
15 municipal utility districts created under Section 59,  
16 Article XVI, Texas Constitution. . . .

17 Revisor's Note

18 (1) Section 6(a), Chapter 1382, Acts of the 77th  
19 Legislature, Regular Session, 2001, refers to the  
20 "rights, powers, privileges, [and] authority" of the  
21 district. The revised law omits "authority" because,  
22 in context, "authority" is included in the meaning of  
23 "rights, powers, [and] privileges."

24 (2) Section 6(a), Chapter 1382, Acts of the 77th  
25 Legislature, Regular Session, 2001, provides that the  
26 act prevails over general law in case of a conflict or  
27 other inconsistency. The revised law omits the  
28 provision because it duplicates Section 311.026,  
29 Government Code (Code Construction Act). The omitted  
30 law reads:

31 (a) . . . This Act prevails over any  
32 provision of general law that is in conflict  
33 or inconsistent with this Act.

34 (3) Section 6(b), Chapter 1382, Acts of the 77th  
35 Legislature, Regular Session, 2001, refers to the  
36 continuing supervision exercised by the "Texas Natural  
37 Resource Conservation Commission." The revised law  
38 omits the provision because the Texas Commission on

1 Environmental Quality is the successor to the Texas  
2 Natural Resource Conservation Commission and  
3 therefore the provision duplicates, in substance, part  
4 of Section 12.081, Water Code, which is a general law  
5 that applies to the district. The name of the Texas  
6 Natural Resource Conservation Commission was changed  
7 to the Texas Commission on Environmental Quality by  
8 Section 18.01, Chapter 965, Acts of the 77th  
9 Legislature, Regular Session, 2001. The omitted law  
10 reads:

11 (b) The rights, powers, privileges,  
12 authority, functions, and duties of the  
13 district are subject to the continuing  
14 right of supervision of the state to be  
15 exercised by and through the Texas Natural  
16 Resource Conservation Commission.

17 Revised Law

18 Sec. 8312.102. COMPLIANCE WITH MUNICIPAL CONSENT  
19 ORDINANCES OR RESOLUTIONS. Subject to the limitations of Section  
20 54.016, Water Code, the district shall comply with all applicable  
21 requirements of any ordinance or resolution adopted by the city  
22 council of the City of Houston, including an ordinance or  
23 resolution adopted before September 1, 2001, that consents to the  
24 creation of the district or to the inclusion of lands in the  
25 district. (Acts 77th Leg., R.S., Ch. 1382, Sec. 12.)

26 Source Law

27 Sec. 12. Subject to the limitations of Section  
28 54.016, Water Code, the district shall comply with all  
29 valid and applicable requirements of any ordinance or  
30 resolution adopted by the city council of the City of  
31 Houston, including an ordinance or resolution adopted  
32 before the effective date of this Act, that consents to  
33 the creation of the district or to the inclusion of  
34 lands within the district.

35 Revisor's Note

36 (1) Section 12, Chapter 1382, Acts of the 77th  
37 Legislature, Regular Session, 2001, requires district  
38 compliance with "valid and applicable" requirements of  
39 any ordinance or resolution of the City of Houston.  
40 The revised law omits "valid" because it does not add

1 to the clear meaning of the law. A requirement is not a  
2 requirement if it is not valid.

3 (2) Section 12, Chapter 1382, Acts of the 77th  
4 Legislature, Regular Session, 2001, refers to "the  
5 effective date of this Act." The revised law  
6 substitutes "September 1, 2001," because that is the  
7 date Chapter 1382 took effect.

8 Revised Law

9 Sec. 8312.103. RELOCATING OR ALTERING PROPERTY; COSTS. (a)  
10 The district may relocate, raise, reroute, change the grade of, or  
11 alter the construction of a highway, railroad, electric  
12 transmission line, telecommunications or other public utility  
13 facility, pipeline, canal, or drainage ditch if considered  
14 necessary by the board of directors.

15 (b) The district shall pay for any relocation, raising,  
16 rerouting, changing, or altering under this section, unless  
17 otherwise agreed in writing by the interested parties.

18 (c) If a facility is replaced, the cost of replacement is  
19 limited to an amount equal to the cost of replacing the facility  
20 with a comparable facility, less the replaced facility's net  
21 salvage value. (Acts 77th Leg., R.S., Ch. 1382, Sec. 7.)

22 Source Law

23 Sec. 7. The district may relocate, raise,  
24 reroute, change the grade of, or alter the  
25 construction of a highway, railroad, electric  
26 transmission line, telecommunications or other public  
27 utility facility, pipeline, canal, or drainage ditch  
28 if considered necessary by the board of directors. The  
29 district shall pay for any relocation, raising,  
30 rerouting, changing, or altering under this section  
31 unless otherwise agreed in writing by the interested  
32 parties. If a facility is replaced, the cost of  
33 replacement is limited to an amount equal to the cost  
34 of replacing the facility with a comparable facility,  
35 less the replaced facility's net salvage value.

36 Revised Law

37 Sec. 8312.104. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
38 ASSESSMENTS. The district may not impose an impact fee or  
39 assessment on the property, including the equipment,  
40 rights-of-way, facilities, or improvements, of:

1 (1) an electric utility or a power generation company  
2 as defined by Section 31.002, Utilities Code;

3 (2) a gas utility as defined by Section 101.003 or  
4 121.001, Utilities Code; or

5 (3) a telecommunications provider as defined by  
6 Section 51.002, Utilities Code. (Acts 77th Leg., R.S., Ch. 1382,  
7 Sec. 6(c).)

8 Source Law

9 (c) The district may not impose an impact fee or  
10 assessment on the property, equipment, rights of way,  
11 facilities, or improvements of an electric utility or  
12 a power generation company as defined by Section  
13 31.002, Utilities Code, a gas utility as defined by  
14 Section 101.003 or 121.001, Utilities Code, or a  
15 telecommunications provider as defined by Section  
16 51.002, Utilities Code.

17 Revisor's Note  
18 (End of Chapter)

19 Section 13, Chapter 1382, Acts of the 77th  
20 Legislature, Regular Session, 2001, recites  
21 legislative findings regarding procedural  
22 requirements for the creation of the district under  
23 the constitution and other laws and rules, including  
24 proper legal notice and the filing of recommendations.  
25 The revised law omits those provisions as executed.  
26 The omitted law reads:

27 Sec. 13. (a) The proper and legal  
28 notice of the intention to introduce this  
29 Act, setting forth the general substance of  
30 this Act, has been published as provided by  
31 law, and the notice and a copy of this Act  
32 have been furnished to all persons,  
33 agencies, officials, or entities to which  
34 they are required to be furnished by the  
35 constitution and other laws of this state,  
36 including the governor, who has submitted  
37 the notice and a copy of the Act to the Texas  
38 Natural Resource Conservation Commission.

39 (b) The Texas Natural Resource  
40 Conservation Commission has filed its  
41 recommendations relating to this Act with  
42 the governor, lieutenant governor, and  
43 speaker of the house of representatives  
44 within the required time.

45 (c) All requirements of the  
46 constitution and laws of this state and the  
47 rules and procedures of the legislature  
48 with respect to the notice, introduction,  
49 and passage of this Act are fulfilled and  
50 accomplished.

1 CHAPTER 8381. NORTH PARK PUBLIC UTILITY DISTRICT

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7 [Sections 8381.005-8381.050 reserved for expansion]

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11 [Sections 8381.053-8381.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

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14 CHAPTER 8381. NORTH PARK PUBLIC UTILITY DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Revised Law

17 Sec. 8381.001. DEFINITIONS. In this chapter:

- 18 (1) "Board" means the district's board of directors.
- 19 (2) "Director" means a member of the board.
- 20 (3) "District" means the North Park Public Utility

21 District. (Acts 62nd Leg., R.S., Ch. 696, Sec. 1 (part); New.)

22 Source Law

23 Sec. 1. . . . [a . . . district] . . . to be  
24 known as "North Park Public Utility District,"  
25 hereinafter called the "district," . . . .

26 Revisor's Note

27 The definitions of "board" and "director" are  
28 added to the revised law for drafting convenience and  
29 to eliminate frequent, unnecessary repetition of the  
30 substance of the definitions.

31 Revised Law

32 Sec. 8381.002. NATURE OF DISTRICT. The district is a  
33 conservation and reclamation district in Harris County created  
34 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
35 R.S., Ch. 696, Sec. 1 (part).)



1 59, Article XVI, Texas Constitution.

2 (c) The creation of the district is essential to accomplish  
3 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
4 62nd Leg., R.S., Ch. 696, Secs. 1 (part), 3.)

5 Source Law

6 Sec. 1. . . . The creation and establishment of  
7 the district is hereby declared to be essential to the  
8 accomplishment of the purposes of Article XVI, Section  
9 59 of the Constitution of Texas.

10 Sec. 3. It is determined and found that all of  
11 the land and other property included within the area  
12 and boundaries of the district will be benefited by the  
13 works and project which are to be accomplished by the  
14 district pursuant to the powers conferred by the  
15 provisions of Article XVI, Section 59 of the  
16 Constitution of Texas, and that said district is  
17 created to serve a public use and benefit.

18 Revisor's Note

19 (1) Section 1, Chapter 696, Acts of the 62nd  
20 Legislature, Regular Session, 1971, provides that the  
21 "creation and establishment" of the district are  
22 essential to accomplish the purposes of Section 59,  
23 Article XVI, Texas Constitution. The revised law  
24 omits "establishment" because its meaning is included  
25 in the meaning of "creation."

26 (2) Section 3, Chapter 696, Acts of the 62nd  
27 Legislature, Regular Session, 1971, refers to land and  
28 other property included within the "area and  
29 boundaries of the district." The revised law omits the  
30 reference to "area" because, in context, "area" is  
31 included in the meaning of "boundaries."

32 Revised Law

33 Sec. 8381.004. DISTRICT TERRITORY. (a) The district is  
34 composed of the territory described by Section 4, Chapter 696, Acts  
35 of the 62nd Legislature, Regular Session, 1971, as that territory  
36 may have been modified under:

- 37 (1) Subchapter H, Chapter 54, Water Code;
- 38 (2) Subchapter J, Chapter 49, Water Code; or
- 39 (3) other law.

1 (b) The boundaries and field notes of the district form a  
2 closure. A mistake in copying the field notes in the legislative  
3 process or another mistake in the field notes does not affect:

4 (1) the district's organization, existence, or  
5 validity;

6 (2) the district's right to issue any type of bond for  
7 a purpose for which the district is created or to pay the principal  
8 of and interest on the bond;

9 (3) the district's right to impose a tax; or

10 (4) the legality or operation of the district or its  
11 governing body. (Acts 62nd Leg., R.S., Ch. 696, Sec. 2; New.)

12 Source Law

13 Sec. 2. It is determined and found that the  
14 boundaries and field notes of the district form a  
15 closure. If any mistake is made in copying the field  
16 notes in the legislative process or otherwise a  
17 mistake is made in the field notes, it shall in no way  
18 affect the organization, existence and validity of the  
19 district, or the right of the district to issue any  
20 type of bonds or refunding bonds for the purposes for  
21 which the district is created or to pay the principal  
22 and interest thereon, or the right to assess, levy and  
23 collect taxes, or in any other manner affect the  
24 legality or operation of the district or its governing  
25 body.

26 Revisor's Note

27 (1) The revision of the law governing the  
28 district does not revise the statutory language  
29 describing the territory of the district to avoid the  
30 lengthy recitation of the description and because that  
31 description may not be accurate on the effective date  
32 of the revision or at the time of a later reading. For  
33 the reader's convenience, the revised law includes  
34 references to the statutory description of the  
35 district's territory and to the authority to change the  
36 district's territory under Subchapter H, Chapter 54,  
37 Water Code, applicable to the district under Section  
38 5, Chapter 696, Acts of the 62nd Legislature, Regular  
39 Session, 1971 (revised in this chapter as Section  
40 8381.101), and under Subchapter J, Chapter 49, Water

1 Code, applicable to the district under Sections 49.001  
2 and 49.002 of that chapter. The revised law also  
3 includes a reference to the general authority of the  
4 legislature to enact a law to change the district's  
5 territory.

6 (2) Section 2, Chapter 696, Acts of the 62nd  
7 Legislature, Regular Session, 1971, provides that a  
8 mistake in the description of the district boundaries  
9 does not affect the right of the district to issue "any  
10 type of bonds or refunding bonds." The revised law  
11 omits the reference to "refunding bonds" because  
12 refunding bonds are included in the meaning of "any  
13 type of bonds."

14 (3) Section 2, Chapter 696, Acts of the 62nd  
15 Legislature, Regular Session, 1971, refers to the  
16 district's authority to "assess, levy and collect"  
17 taxes. The revised law substitutes "impose" for  
18 "assess, levy and collect" because "impose" is the  
19 term generally used in Title 1, Tax Code, and includes  
20 the assessment, levy, and collection of a tax.

21 [Sections 8381.005-8381.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Revised Law

24 Sec. 8381.051. COMPOSITION OF BOARD. The board is composed  
25 of five elected directors. (Acts 62nd Leg., R.S., Ch. 696, Sec. 6  
26 (part).)

27 Source Law

28 Sec. 6. . . . Succeeding directors shall be  
29 elected or . . . .

30 Revisor's Note

31 (1) Section 6, Chapter 696, Acts of the 62nd  
32 Legislature, Regular Session, 1971, refers to the  
33 initial board of directors and that board's vacancy  
34 procedures. The revised law omits the language as  
35 executed. The omitted law reads:

1           Sec. 6. Immediately after this Act  
2 becomes effective, the following named  
3 persons shall be the directors of the  
4 district and shall constitute the board of  
5 directors of the district:

6           Steve W. Ley  
7           Robert M. Ley  
8           Stedwell Johnston  
9           Steve T. Cochran  
10          Eugene B. Smith

11          Said persons shall qualify to serve as  
12 directors prior to the first meeting of the  
13 board of directors. Should any of the above  
14 named directors fail to qualify for any  
15 reason, the remaining named directors shall  
16 appoint someone to fill such vacancy or  
17 vacancies; . . . . The directors above  
18 named or their duly appointed and qualified  
19 successor or successors shall serve until  
20 the second Saturday in January, 1973. . . .

21          (2) Section 6, Chapter 696, Acts of the 62nd  
22 Legislature, Regular Session, 1971, refers to  
23 "[s]ucceeding directors" to distinguish the  
24 succeeding directors from the initial directors named  
25 in that section. The revised law substitutes "five"  
26 for "succeeding" to conform to the number of directors  
27 listed in Section 6 (establishing the initial board).

28          (3) Section 6, Chapter 696, Acts of the 62nd  
29 Legislature, Regular Session, 1971, provides for  
30 directors to be elected or appointed and to serve for  
31 the term and in the manner provided by Chapter 54,  
32 Water Code. Chapter 715, Acts of the 74th Legislature,  
33 Regular Session, 1995, repealed the relevant  
34 provisions of Chapter 54 and enacted similar  
35 provisions in Chapter 49, Water Code, including  
36 Section 49.103, which governs the terms of office and  
37 manner of election of directors of a municipal utility  
38 district that is required by law to elect its  
39 directors. The revised law omits any reference to  
40 Chapter 49, Water Code, because Chapter 49 applies to  
41 the district under Sections 49.001 and 49.002 of that  
42 chapter. The revised law also omits "appointed"  
43 because it is clear from the context of Section 6 that  
44 the reference applies only to directors appointed to

1 fill vacancies as provided by Chapter 49, Water Code.

2 The omitted law reads:

3 Sec. 6. . . . [Succeeding directors  
4 shall be elected or] appointed and shall  
5 serve for the term and in the manner  
6 provided by Chapter 54, Title 4, Water Code.

7 Revised Law

8 Sec. 8381.052. BOARD VACANCY. (a) Except as provided by  
9 Subsection (b), a vacancy in the office of director shall be filled  
10 in the manner provided by Section 49.105, Water Code.

11 (b) The Texas Commission on Environmental Quality shall  
12 appoint directors to fill all of the vacancies on the board whenever  
13 the number of qualified directors is fewer than three. (Acts 62nd  
14 Leg., R.S., Ch. 696, Sec. 6 (part); New.)

15 Source Law

16 Sec. 6. . . . [Should any of the above named  
17 directors fail to qualify for any reason, the  
18 remaining named directors shall appoint someone to  
19 fill such vacancy or vacancies;] provided, however,  
20 that if at any time the number of qualified directors  
21 shall be less than three because of the failure or  
22 refusal of one or more directors to qualify or serve or  
23 because of his or their death or incapacitation, or for  
24 any such other reason, the Texas Water Rights  
25 Commission shall appoint the necessary number of  
26 directors to fill all vacancies on the board. . . .

27 Revisor's Note

28 (1) Section 6, Chapter 696, Acts of the 62nd  
29 Legislature, Regular Session, 1971, governs the manner  
30 in which multiple board vacancies are filled. Section  
31 49.105, Water Code, governs the manner of filling a  
32 vacancy in the office of director of certain  
33 districts, including a municipal utility district.  
34 Chapter 49, Water Code, applies to the district under  
35 Sections 49.001 and 49.002 of that chapter. For that  
36 reason and for the convenience of the reader, the  
37 revised law adds a reference to Section 49.105.

38 (2) Section 6, Chapter 696, Acts of the 62nd  
39 Legislature, Regular Session, 1971, refers to a  
40 vacancy in the office of director "because of the  
41 failure or refusal of one or more directors to qualify

1 or serve or because of his or their death or  
2 incapacitation, or for any such other reason." The  
3 revised law omits the quoted language because it  
4 merely describes every manner in which a board vacancy  
5 may occur without limiting in any way the duty to fill  
6 the vacancy.

7 (3) Section 6, Chapter 696, Acts of the 62nd  
8 Legislature, Regular Session, 1971, refers to the  
9 "Texas Water Rights Commission." The revised law  
10 substitutes "Texas Commission on Environmental  
11 Quality" for "Texas Water Rights Commission" to  
12 reflect a change in the agency's name. In 1977,  
13 Section 9, Chapter 870, Acts of the 65th Legislature,  
14 Regular Session, abolished the Texas Water Rights  
15 Commission and created the Texas Water Commission.  
16 The name of the Texas Water Commission was changed to  
17 the Texas Natural Resource Conservation Commission by  
18 Section 1.085, Chapter 3, Acts of the 72nd  
19 Legislature, 1st Called Session, 1991. The name of the  
20 Texas Natural Resource Conservation Commission was  
21 changed to the Texas Commission on Environmental  
22 Quality by Section 18.01, Chapter 965, Acts of the 77th  
23 Legislature, Regular Session, 2001. The revised law  
24 is drafted accordingly.

25 [Sections 8381.053-8381.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Revised Law

28 Sec. 8381.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
29 district has the rights, powers, privileges, and functions  
30 conferred by general law applicable to a municipal utility  
31 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
32 Leg., R.S., Ch. 696, Sec. 5 (part); New.)

33 Source Law

34 Sec. 5. The district is hereby vested with, and  
35 shall have and exercise, all of the rights, powers,

1 privileges, authority and functions conferred by the  
2 general laws of this state applicable to municipal  
3 utility districts, including without limitation those  
4 conferred by Chapter 54, Title 4, Water Code, but  
5 . . . .

6 Revisor's Note

7 (1) Section 5, Chapter 696, Acts of the 62nd  
8 Legislature, Regular Session, 1971, provides that the  
9 district "is hereby vested with, and shall have and  
10 exercise" certain powers. The revised law substitutes  
11 "has" for the quoted language because, in context, the  
12 terms are synonymous and "has" is more commonly used.

13 (2) Section 5, Chapter 696, Acts of the 62nd  
14 Legislature, Regular Session, 1971, refers to the  
15 "rights, powers, privileges, [and] authority" of the  
16 district. The revised law omits the reference to  
17 "authority" because, in context, "authority" is  
18 included in the meaning of "rights, powers, [and]  
19 privileges."

20 (3) Section 5, Chapter 696, Acts of the 62nd  
21 Legislature, Regular Session, 1971, grants the  
22 district certain powers, "including without  
23 limitation those conferred by Chapter 54, Title 4,  
24 Water Code." The revised law omits "without  
25 limitation" because Section 311.005(13), Government  
26 Code (Code Construction Act), provides that "includes"  
27 and "including" are terms of enlargement and not of  
28 limitation and do not create a presumption that  
29 components not expressed are excluded.

30 (4) Section 5, Chapter 696, Acts of the 62nd  
31 Legislature, Regular Session, 1971, refers to Chapter  
32 54, Water Code. For the reader's convenience, the  
33 revised law adds a reference to Chapter 49, Water Code,  
34 because Chapter 715, Acts of the 74th Legislature,  
35 Regular Session, 1995, repealed many provisions of  
36 Chapter 54 and enacted similar provisions in Chapter  
37 49, Water Code, which applies to the district under

1 Sections 49.001 and 49.002 of that chapter.

2 (5) Section 5, Chapter 696, Acts of the 62nd  
3 Legislature, Regular Session, 1971, provides that the  
4 act prevails over general law in case of a conflict or  
5 other inconsistency and that all general laws  
6 applicable to municipal utility districts not in  
7 conflict or inconsistent with the provisions of the  
8 act are adopted and incorporated by reference. The  
9 revised law omits the portion of the provision  
10 relating to the act prevailing over general law  
11 because it duplicates Section 311.026(b), Government  
12 Code (Code Construction Act). The revised law omits  
13 the portion of the provision relating to adoption and  
14 incorporation of general laws because Section 5 of  
15 Chapter 696 (revised as this section) already provides  
16 that those laws apply to the district, and it is  
17 unnecessary to repeat that authority. The omitted law  
18 reads:

19 Sec. 5. . . . if any provision of  
20 such general laws shall be in conflict or  
21 inconsistent with the provisions of this  
22 Act, the provisions of this Act shall  
23 prevail. All such general laws applicable  
24 to municipal utility districts not in  
25 conflict or inconsistent with the  
26 provisions of this Act are hereby adopted  
27 and incorporated by reference with the same  
28 effect as if copied in full in this Act.

29 Revisor's Note  
30 (End of Chapter)

31 (1) Section 7, Chapter 696, Acts of the 62nd  
32 Legislature, Regular Session, 1971, contains  
33 legislative findings relating to the performance of  
34 the requirements of Section 59(d), Article XVI, Texas  
35 Constitution, and to the authority of the legislature  
36 to enact that chapter. The revised law omits the  
37 provision as executed. The omitted law reads:

38 Sec. 7. The Legislature specifically  
39 finds and declares that the requirements of  
40 Article XVI, Section 59(d) of the  
41 Constitution of Texas have been performed

1 and accomplished in due course and time and  
2 order, and that the Legislature has the  
3 power and authority to enact this Act.

4 (2) Section 8, Chapter 696, Acts of the 62nd  
5 Legislature, Regular Session, 1971, provides that the  
6 act is severable. The revised law omits that provision  
7 because it duplicates Section 311.032, Government Code  
8 (Code Construction Act), which provides that a  
9 provision of a statute is severable from each other  
10 provision of the statute that can be given effect. The  
11 omitted law reads:

12 Sec. 8. If any word, phrase, clause,  
13 paragraph, sentence, part, portion or  
14 provision of this Act or the application  
15 thereof to any persons or circumstances  
16 shall be held to be invalid or  
17 unconstitutional, the remainder of the Act  
18 shall nevertheless be valid and the  
19 Legislature hereby declares that this Act  
20 would have been enacted without such  
21 invalid or unconstitutional word, phrase,  
22 clause, paragraph, sentence, part, portion  
23 or provision.

24 CHAPTER 8387. NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 1

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8387.001. DEFINITIONS . . . . . 732  
27 Sec. 8387.002. NATURE OF DISTRICT . . . . . 732  
28 Sec. 8387.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 733  
29 Sec. 8387.004. DISTRICT TERRITORY . . . . . 733

30 [Sections 8387.005-8387.050 reserved for expansion]

31 SUBCHAPTER B. BOARD OF DIRECTORS

32 Sec. 8387.051. COMPOSITION OF BOARD . . . . . 735  
33 Sec. 8387.052. BOARD VACANCY . . . . . 737

34 [Sections 8387.053-8387.100 reserved for expansion]

35 SUBCHAPTER C. POWERS AND DUTIES

36 Sec. 8387.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 738  
37 Sec. 8387.102. OPERATION AND MAINTENANCE OF DISTRICT  
38 FACILITIES . . . . . 739

1 CHAPTER 8387. NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 1

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 8387.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the district's board of directors.

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

7 (3) "District" means the Northgate Crossing Municipal  
8 Utility District No. 1. (Acts 69th Leg., R.S., Ch. 947, Sec. 2;  
9 New.)

10 Source Law

11 Sec. 2. In this Act, "district" means the  
12 Northgate Crossing Municipal Utility District No. 1.

13 Revisor's Note

14 The definitions of "board" and "director" are  
15 added to the revised law for drafting convenience and  
16 to eliminate frequent, unnecessary repetition of the  
17 substance of the definitions.

18 Revised Law

19 Sec. 8387.002. NATURE OF DISTRICT. The district is a  
20 conservation and reclamation district in Harris County created  
21 under Section 59, Article XVI, Texas Constitution. (Acts 69th  
22 Leg., R.S., Ch. 947, Sec. 1 (part).)

23 Source Law

24 Sec. 1. Pursuant to Article XVI, Section 59, of  
25 the Texas Constitution, the Northgate Crossing  
26 Municipal Utility District No. 1 is created as a  
27 conservation and reclamation district in Harris  
28 County, and . . . .

29 Revisor's Note

30 Section 1, Chapter 947, Acts of the 69th  
31 Legislature, Regular Session, 1985, provides that the  
32 district is created as a conservation and reclamation  
33 district and as a governmental agency and a body  
34 politic and corporate. The revised law omits the  
35 references to "governmental agency" and "body politic  
36 and corporate" because they duplicate a portion of  
37 Section 59(b), Article XVI, Texas Constitution, which

1 provides that a conservation and reclamation district  
2 is a governmental agency and a body politic and  
3 corporate. The omitted law reads:

4                   Sec. 1. . . . [the Northgate  
5 Crossing Municipal Utility District No. 1  
6 is created] . . . as a governmental agency  
7 and a body politic and corporate. . . .

8                   Revised Law

9                   Sec. 8387.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
10 The district is created to serve a public use and benefit.

11                   (b) All land and other property included in the district's  
12 boundaries will benefit from the works and projects accomplished by  
13 the district under the powers authorized by Section 59, Article  
14 XVI, Texas Constitution.

15                   (c) The creation of the district is essential to accomplish  
16 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
17 69th Leg., R.S., Ch. 947, Secs. 1 (part), 3.)

18                   Source Law

19                   Sec. 1. . . . The creation of the district is  
20 declared to be essential to the accomplishment of the  
21 purposes of Article XVI, Section 59, of the Texas  
22 Constitution.

23                   Sec. 3. The legislature finds that all of the  
24 land and other property included within the boundaries  
25 of the district will be benefited by the works and  
26 project that are to be accomplished by the district  
27 under the powers authorized by Article XVI, Section  
28 59, of the Texas Constitution, and that the district is  
29 created to serve a public use and benefit.

30                   Revised Law

31                   Sec. 8387.004. DISTRICT TERRITORY. (a) The district is  
32 composed of the territory described by Section 4(a), Chapter 947,  
33 Acts of the 69th Legislature, Regular Session, 1985, as that  
34 territory may have been modified under:

- 35                   (1) Subchapter H, Chapter 54, Water Code;  
36                   (2) Subchapter J, Chapter 49, Water Code; or  
37                   (3) other law.

38                   (b) The boundaries and field notes of the district form a  
39 closure. A mistake in copying the field notes in the legislative  
40 process or another mistake in the field notes does not affect:

- 1 (1) the district's organization, existence, or  
2 validity;
- 3 (2) the district's right to issue any type of bond for  
4 a purpose for which the district is created;
- 5 (3) the payment of the principal of and interest on  
6 bonds;
- 7 (4) the district's right to impose a tax; or
- 8 (5) the legality or operation of the district or its  
9 governing body. (Acts 69th Leg., R.S., Ch. 947, Sec. 4(b); New.)

10 Source Law

11 (b) The legislature finds that the boundaries  
12 and field notes of the district form a closure. If any  
13 mistake is made in copying the field notes in the  
14 legislative process or a mistake is made otherwise in  
15 the field notes, it does not affect the organization,  
16 existence, and validity of the district, the right of  
17 the district to issue any type of bonds or refunding  
18 bonds for the purposes for which the district is  
19 created, the payment of the principal of and interest  
20 on bonds, the right to assess, levy, and collect taxes,  
21 or the legality or operation of the district or its  
22 governing body.

23 Revisor's Note

24 (1) The revision of the law governing the  
25 district does not revise the statutory language  
26 describing the territory of the district to avoid the  
27 lengthy recitation of the description and because that  
28 description may not be accurate on the effective date  
29 of the revision or at the time of a later reading. For  
30 the reader's convenience, the revised law includes  
31 references to the statutory description of the  
32 district's territory and to the authority to change the  
33 district's territory under Subchapter H, Chapter 54,  
34 Water Code, applicable to municipal utility districts,  
35 and under Subchapter J, Chapter 49, Water Code,  
36 applicable to the district under Sections 49.001 and  
37 49.002 of that chapter. The revised law also includes  
38 a reference to the general authority of the  
39 legislature to enact a law to change the district's  
40 territory.

1           (2) Section 4(b), Chapter 947, Acts of the 69th  
2 Legislature, Regular Session, 1985, refers to the  
3 right of the district to issue "any type of bonds or  
4 refunding bonds." The revised law omits the reference  
5 to "refunding bonds" because refunding bonds are  
6 included in the meaning of "any type of bonds."

7           (3) Section 4(b), Chapter 947, Acts of the 69th  
8 Legislature, Regular Session, 1985, refers to the  
9 district's authority to "assess, levy, and collect"  
10 taxes. The revised law substitutes "impose" for  
11 "assess, levy, and collect" because "impose" is the  
12 term generally used in Title 1, Tax Code, and includes  
13 the assessment, levy, and collection of a tax.

14                           Revisor's Note  
15                           (End of Subchapter)

16           Section 6, Chapter 947, Acts of the 69th  
17 Legislature, Regular Session, 1985, requires a  
18 confirmation election for the creation of the  
19 district. Because the creation of the district has  
20 been confirmed, the revised law omits the language as  
21 executed. The omitted law reads:

22                   Sec. 6. (a) The creation of the  
23 district is subject to approval of a  
24 majority of the qualified voters of the  
25 proposed district at a confirmation  
26 election held under Chapter 54, Water Code.

27                   (b) Only one confirmation election  
28 may be held within 12 months from the  
29 effective date of this Act.

30                   (c) If the qualified voters fail to  
31 approve creation of the district, this Act  
32 expires on declaration of the election  
33 result.

34           [Sections 8387.005-8387.050 reserved for expansion]

35                           SUBCHAPTER B. BOARD OF DIRECTORS

36   Revised Law

37           Sec. 8387.051. COMPOSITION OF BOARD. The board is composed  
38 of five elected directors. (Acts 69th Leg., R.S., Ch. 947, Sec.  
39 7(e) (part).)



1 Chapter 54 and enacted similar provisions in Chapter  
2 49, Water Code, including Section 49.103, which  
3 governs the terms of office and manner of election of  
4 directors of a municipal utility district that is  
5 required by law to elect its directors. The revised  
6 law does not refer to Chapter 49, Water Code, because  
7 Chapter 49 applies to the district under Sections  
8 49.001 and 49.002 of that chapter. The omitted law  
9 reads:

10 (e) [Successors to the initial  
11 directors shall be elected and] shall serve  
12 for the term and in the manner provided by  
13 Chapter 54, Water Code.

14 Revised Law

15 Sec. 8387.052. BOARD VACANCY. (a) Except as provided by  
16 Subsection (b), a vacancy in the office of director shall be filled  
17 in the manner provided by Section 49.105, Water Code.

18 (b) The Texas Commission on Environmental Quality shall  
19 appoint directors to fill the vacancies on the board whenever the  
20 number of qualified directors is fewer than three. (Acts 69th Leg.,  
21 R.S., Ch. 947, Sec. 7(c) (part); New.)

22 Source Law

23 (c) . . . If at any time the number of qualified  
24 directors is less than three because of the failure or  
25 refusal of one or more directors to qualify or serve,  
26 the death or incapacitation of a director, or any other  
27 reason, the Texas Water Commission shall appoint the  
28 necessary number of directors to fill the vacancies on  
29 the board.

30 Revisor's Note

31 (1) Section 7(c), Chapter 947, Acts of the 69th  
32 Legislature, Regular Session, 1985, refers to a  
33 vacancy in the office of director "because of the  
34 failure or refusal of one or more directors to qualify  
35 or serve, the death or incapacitation of a director, or  
36 any other reason." The revised law omits the quoted  
37 language because it merely describes every manner in  
38 which a vacancy may occur without limiting in any way  
39 the board's duty to fill a vacancy.

1           (2) Section 49.105, Water Code, governs a  
2 vacancy in the office of director of certain  
3 districts, including a municipal utility district.  
4 Chapter 49, Water Code, applies to the district under  
5 Sections 49.001 and 49.002 of that chapter. For that  
6 reason and for the convenience of the reader, the  
7 revised law adds a reference to Section 49.105.

8           (3) Section 7(c), Chapter 947, Acts of the 69th  
9 Legislature, Regular Session, 1985, refers to the  
10 "Texas Water Commission." The revised law substitutes  
11 "Texas Commission on Environmental Quality" for "Texas  
12 Water Commission" to reflect the current name of the  
13 agency with the relevant regulatory authority.

14           [Sections 8387.053-8387.100 reserved for expansion]

15                               SUBCHAPTER C. POWERS AND DUTIES

16                                       Revised Law

17           Sec. 8387.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
18 district may exercise the rights, powers, privileges, and functions  
19 provided by general law applicable to a municipal utility district,  
20 including Chapters 49 and 54, Water Code. (Acts 69th Leg., R.S.,  
21 Ch. 947, Sec. 5(a); New.)

22                                       Source Law

23           Sec. 5. (a) The district may exercise the  
24 rights, powers, privileges, authority, and functions  
25 provided by general law applicable to municipal  
26 utility districts, including Chapter 54, Water Code.

27                                       Revisor's Note

28           (1) Section 5(a), Chapter 947, Acts of the 69th  
29 Legislature, Regular Session, 1985, refers to the  
30 "rights, powers, privileges, [and] authority" of the  
31 district. The revised law omits the reference to  
32 "authority" because, in context, "authority" is  
33 included in the meaning of "rights, powers, [and]  
34 privileges."

35           (2) Section 5(a), Chapter 947, Acts of the 69th  
36 Legislature, Regular Session, 1985, refers to Chapter

1 54, Water Code. For the reader's convenience, the  
2 revised law adds a reference to Chapter 49, Water Code,  
3 because Chapter 715, Acts of the 74th Legislature,  
4 Regular Session, 1995, repealed many provisions of  
5 Chapter 54 and enacted similar provisions in Chapter  
6 49, Water Code, which applies to the district under  
7 Sections 49.001 and 49.002 of that chapter.

8 (3) Sections 5(b) and (c), Chapter 947, Acts of  
9 the 69th Legislature, Regular Session, 1985, provide  
10 that the act prevails over general law in case of a  
11 conflict or other inconsistency and that all general  
12 laws applicable to municipal utility districts not in  
13 conflict or inconsistent with the provisions of the  
14 act are adopted and incorporated by reference. The  
15 revised law omits the portion of those provisions  
16 relating to the act prevailing over general law  
17 because they duplicate in substance Section  
18 311.026(b), Government Code (Code Construction Act).  
19 The revised law omits the portion of those provisions  
20 relating to adoption and incorporation of general laws  
21 because Section 5(a) of Chapter 947 (revised as this  
22 section) already provides that those laws apply to the  
23 district, and it is unnecessary to repeat that  
24 authority. The omitted law reads:

25 (b) If any provision of the general  
26 law conflicts or is inconsistent with this  
27 Act, this Act prevails.

28 (c) The general law applicable to  
29 municipal utility districts that is not in  
30 conflict or inconsistent with this Act is  
31 adopted and incorporated by reference.

32 Revised Law

33 Sec. 8387.102. OPERATION AND MAINTENANCE OF DISTRICT  
34 FACILITIES. (a) The district shall operate and maintain any levee,  
35 retainage pond, pump, mitigation channel, or other facility,  
36 improvement, or property that serves property in the district  
37 unless the Harris County Flood Control District undertakes to

1 operate or maintain the facility, improvement, or property.

2 (b) If, at the time the district is annexed by a  
3 municipality, the annexing municipality determines not to  
4 undertake to operate or maintain a levee, retainage pond, pump,  
5 mitigation channel, or other facility, improvement, or property  
6 that serves property in the district, the municipality may specify  
7 in the annexation ordinance that the district shall continue to  
8 exist exclusively to:

9 (1) operate and maintain the levee, retainage pond,  
10 pump, mitigation channel, or other facility, improvement, or  
11 property; and

12 (2) impose a maintenance tax in the boundaries of the  
13 district, to the extent that a maintenance tax has previously been  
14 authorized. (Acts 69th Leg., R.S., Ch. 947, Secs. 8(a), (b).)

15 Source Law

16 Sec. 8. (a) The district shall operate and  
17 maintain all levees, retainage ponds, pumps,  
18 mitigation channels, and other facilities,  
19 improvements, or properties serving the properties  
20 within the district that the Harris County Flood  
21 Control District does not undertake to operate or  
22 maintain.

23 (b) If, at the time the district is annexed by a  
24 municipality, the annexing municipality determines  
25 not to undertake to operate or maintain any of those  
26 levees, retainage ponds, pumps, mitigation channels,  
27 or other facilities, improvements, or properties, the  
28 annexing municipality may specify, in its annexation  
29 ordinance, that the district shall continue to exist  
30 for the exclusive purposes of operating and  
31 maintaining those levees, retainage ponds, pumps,  
32 mitigation channels, and other facilities,  
33 improvements, or properties and of levying and  
34 collecting a maintenance tax within the boundaries of  
35 the district, to the extent that a maintenance tax has  
36 previously been authorized.

37 Revisor's Note

38 (1) Section 8(b), Chapter 947, Acts of the 69th  
39 Legislature, Regular Session, 1985, refers to "levying  
40 and collecting" a maintenance tax. The revised law  
41 substitutes "impose" for "levying and collecting"  
42 because "impose" is the term generally used in Title 1,  
43 Tax Code, and includes the levying and collecting of a  
44 tax.

1           (2) Section 8(c), Chapter 947, Acts of the 69th  
 2           Legislature, Regular Session, 1985, provides that the  
 3           district shall exist until the annexing city adopts a  
 4           resolution as provided by Chapter 128, Acts of the 50th  
 5           Legislature, Regular Session, 1947 (Article 1182c-1,  
 6           Vernon's Texas Civil Statutes). The revised law omits  
 7           that provision because the cited law applies by its own  
 8           terms. Article 1182c-1 was codified by Chapter 149,  
 9           Acts of the 70th Legislature, Regular Session, 1987,  
 10          as Sections 43.074, 43.075, and 43.081, Local  
 11          Government Code. The omitted law reads:

12                       (c) The district shall continue to  
 13                       exist for those purposes until the  
 14                       governing board of the annexing city adopts  
 15                       a resolution in the manner provided by  
 16                       Chapter 128, Acts of the 50th Legislature,  
 17                       Regular Session, 1947 (Article 1182c-1,  
 18                       Vernon's Texas Civil Statutes).

19          CHAPTER 8388. NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 2

20                       SUBCHAPTER A. GENERAL PROVISIONS

21          Sec. 8388.001. DEFINITIONS . . . . . 741  
 22          Sec. 8388.002. NATURE OF DISTRICT . . . . . 742  
 23          Sec. 8388.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 743  
 24          Sec. 8388.004. DISTRICT TERRITORY . . . . . 743

25                       [Sections 8388.005-8388.050 reserved for expansion]

26                       SUBCHAPTER B. BOARD OF DIRECTORS

27          Sec. 8388.051. COMPOSITION OF BOARD . . . . . 745  
 28          Sec. 8388.052. BOARD VACANCY . . . . . 747

29                       [Sections 8388.053-8388.100 reserved for expansion]

30                       SUBCHAPTER C. POWERS AND DUTIES

31          Sec. 8388.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 748  
 32          Sec. 8388.102. OPERATION AND MAINTENANCE OF DISTRICT  
 33                       FACILITIES . . . . . 749

34          CHAPTER 8388. NORTHGATE CROSSING MUNICIPAL UTILITY DISTRICT NO. 2

35                       SUBCHAPTER A. GENERAL PROVISIONS

36                                       Revised Law

37          Sec. 8388.001. DEFINITIONS. In this chapter:

1 (1) "Board" means the district's board of directors.

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

3 (3) "District" means the Northgate Crossing Municipal  
4 Utility District No. 2. (Acts 69th Leg., R.S., Ch. 764, Sec. 2;  
5 New.)

6 Source Law

7 Sec. 2. In this Act, "district" means the  
8 Northgate Crossing Municipal Utility District No. 2.

9 Revisor's Note

10 The definitions of "board" and "director" are  
11 added to the revised law for drafting convenience and  
12 to eliminate frequent, unnecessary repetition of the  
13 substance of the definitions.

14 Revised Law

15 Sec. 8388.002. NATURE OF DISTRICT. The district is a  
16 conservation and reclamation district in Harris County created  
17 under Section 59, Article XVI, Texas Constitution. (Acts 69th  
18 Leg., R.S., Ch. 764, Sec. 1 (part).)

19 Source Law

20 Sec. 1. Pursuant to Article XVI, Section 59, of  
21 the Texas Constitution, the Northgate Crossing  
22 Municipal Utility District No. 2 is created as a  
23 conservation and reclamation district in Harris  
24 County, and . . . .

25 Revisor's Note

26 Section 1, Chapter 764, Acts of the 69th  
27 Legislature, Regular Session, 1985, provides that the  
28 district is created as a conservation and reclamation  
29 district and as a governmental agency and a body  
30 politic and corporate. The revised law omits the  
31 references to "governmental agency" and "body politic  
32 and corporate" because they duplicate a portion of  
33 Section 59(b), Article XVI, Texas Constitution, which  
34 provides that a conservation and reclamation district  
35 is a governmental agency and a body politic and  
36 corporate. The omitted law reads:

37 Sec. 1. . . . [the Northgate

1 Crossing Municipal Utility District No. 2  
2 is created] . . . as a governmental agency  
3 and a body politic and corporate. . . .

4 Revised Law

5 Sec. 8388.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)

6 The district is created to serve a public use and benefit.

7 (b) All land and other property included in the district's  
8 boundaries will benefit from the works and projects accomplished by  
9 the district under the powers authorized by Section 59, Article  
10 XVI, Texas Constitution.

11 (c) The creation of the district is essential to accomplish  
12 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
13 69th Leg., R.S., Ch. 764, Secs. 1 (part), 3.)

14 Source Law

15 Sec. 1. . . . The creation of the district is  
16 declared to be essential to the accomplishment of the  
17 purposes of Article XVI, Section 59, of the Texas  
18 Constitution.

19 Sec. 3. The legislature finds that all of the  
20 land and other property included within the boundaries  
21 of the district will be benefited by the works and  
22 projects that are to be accomplished by the district  
23 under the powers authorized by Article XVI, Section  
24 59, of the Texas Constitution, and that the district is  
25 created to serve a public use and benefit.

26 Revised Law

27 Sec. 8388.004. DISTRICT TERRITORY. (a) The district is  
28 composed of the territory described by Section 4(a), Chapter 764,  
29 Acts of the 69th Legislature, Regular Session, 1985, as that  
30 territory may have been modified under:

- 31 (1) Subchapter H, Chapter 54, Water Code;  
32 (2) Subchapter J, Chapter 49, Water Code; or  
33 (3) other law.

34 (b) The boundaries and field notes of the district form a  
35 closure. A mistake in copying the field notes in the legislative  
36 process or another mistake in the field notes does not affect:

- 37 (1) the district's organization, existence, or  
38 validity;  
39 (2) the district's right to issue any type of bond for  
40 a purpose for which the district is created;

1 (3) the payment of the principal of and interest on  
2 bonds;

3 (4) the district's right to impose a tax; or

4 (5) the legality or operation of the district or its  
5 governing body. (Acts 69th Leg., R.S., Ch. 764, Sec. 4(b); New.)

6 Source Law

7 (b) The legislature finds that the boundaries  
8 and field notes of the district form a closure. If any  
9 mistake is made in copying the field notes in the  
10 legislative process or a mistake is made otherwise in  
11 the field notes, it does not affect the organization,  
12 existence, and validity of the district, the right of  
13 the district to issue any type of bonds or refunding  
14 bonds for the purposes for which the district is  
15 created, the payment of the principal of and interest  
16 on bonds, the right to assess, levy, and collect taxes,  
17 or the legality or operation of the district or its  
18 governing body.

19 Revisor's Note

20 (1) The revision of the law governing the  
21 district does not revise the statutory language  
22 describing the territory of the district to avoid the  
23 lengthy recitation of the description and because that  
24 description may not be accurate on the effective date  
25 of the revision or at the time of a later reading. For  
26 the reader's convenience, the revised law includes  
27 references to the statutory description of the  
28 district's territory and to the authority to change the  
29 district's territory under Subchapter H, Chapter 54,  
30 Water Code, applicable to municipal utility districts,  
31 and under Subchapter J, Chapter 49, Water Code,  
32 applicable to the district under Sections 49.001 and  
33 49.002 of that chapter. The revised law also includes  
34 a reference to the general authority of the  
35 legislature to enact a law to change the district's  
36 territory.

37 (2) Section 4(b), Chapter 764, Acts of the 69th  
38 Legislature, Regular Session, 1985, refers to the  
39 right of the district to issue "any type of bonds or  
40 refunding bonds." The revised law omits the reference

1 to "refunding bonds" because refunding bonds are  
2 included in the meaning of "any type of bonds."

3 (3) Section 4(b), Chapter 764, Acts of the 69th  
4 Legislature, Regular Session, 1985, refers to the  
5 district's authority to "assess, levy, and collect"  
6 taxes. The revised law substitutes "impose" for  
7 "assess, levy, and collect" because "impose" is the  
8 term generally used in Title 1, Tax Code, and includes  
9 the assessment, levy, and collection of a tax.

10 Revisor's Note  
11 (End of Subchapter)

12 Section 6, Chapter 764, Acts of the 69th  
13 Legislature, Regular Session, 1985, requires a  
14 confirmation election for the creation of the  
15 district. Because the creation of the district has  
16 been confirmed, the revised law omits the language as  
17 executed. The omitted law reads:

18 Sec. 6. (a) The creation of the  
19 district is subject to approval of a  
20 majority of the qualified voters of the  
21 proposed district at a confirmation  
22 election held under Chapter 54, Water Code.

23 (b) Only one confirmation election  
24 may be held within 12 months from the  
25 effective date of this Act.

26 (c) If the qualified voters fail to  
27 approve creation of the district, this Act  
28 expires on declaration of the election  
29 result.

30 [Sections 8388.005-8388.050 reserved for expansion]

31 SUBCHAPTER B. BOARD OF DIRECTORS

32 Revised Law

33 Sec. 8388.051. COMPOSITION OF BOARD. The board is composed  
34 of five elected directors. (Acts 69th Leg., R.S., Ch. 764, Sec.  
35 7(e) (part).)

36 Source Law

37 (e) Successors to the initial directors shall be  
38 elected and . . . .

39 Revisor's Note

40 (1) Sections 7(a), (b), (c), and (d), Chapter  
41 764, Acts of the 69th Legislature, Regular Session,

1 1985, refer to the initial board of directors and to  
2 procedures for filling a vacancy on the initial board.  
3 The revised law omits those provisions as executed.  
4 The omitted law reads:

5           Sec. 7. (a) On the effective date of  
6 this Act, the following persons constitute  
7 the board of directors of the district:

- 8           1. Jack R. "Ronnie" Grant;
- 9           2. Yvonne Lantz;
- 10          3. C. M. Dale;
- 11          4. Norvelle M. Havis; and
- 12          5. Sally Kay Selman.

13           (b) These persons shall qualify to  
14 serve as directors before the first meeting  
15 of the board of directors.

16           (c) If any of the persons listed in  
17 Subsection (a) of this section fail to  
18 qualify for any reason, the remaining  
19 directors shall appoint someone to fill the  
20 vacancy. . . .

21           (d) The directors listed in  
22 Subsection (a) of this section or their  
23 successors shall serve until the third  
24 Saturday in April 1986.

25           (2) Section 7(e), Chapter 764, Acts of the 69th  
26 Legislature, Regular Session, 1985, refers to  
27 "[s]uccessors" to distinguish the succeeding  
28 directors from the initial directors named in the  
29 section. The revised law substitutes "five . . .  
30 directors" for "successors" to conform to the number  
31 of directors listed in Section 7(a) (establishing the  
32 initial board).

33           (3) Section 7(e), Chapter 764, Acts of the 69th  
34 Legislature, Regular Session, 1985, provides for  
35 directors to be elected and to serve for the term and  
36 in the manner provided by Chapter 54, Water Code.  
37 Chapter 715, Acts of the 74th Legislature, Regular  
38 Session, 1995, repealed the relevant provisions of  
39 Chapter 54 and enacted similar provisions in Chapter  
40 49, Water Code, including Section 49.103, which  
41 governs the terms of office and manner of election of  
42 directors of a municipal utility district that is  
43 required by law to elect its directors. The revised  
44 law does not refer to Chapter 49, Water Code, because

1 Chapter 49 applies to the district under Sections  
2 49.001 and 49.002 of that chapter. The omitted law  
3 reads:

4 (e) [Successors to the initial  
5 directors shall be elected and] shall serve  
6 for the term and in the manner provided by  
7 Chapter 54, Water Code.

8 Revised Law

9 Sec. 8388.052. BOARD VACANCY. (a) Except as provided by  
10 Subsection (b), a vacancy in the office of director shall be filled  
11 in the manner provided by Section 49.105, Water Code.

12 (b) The Texas Commission on Environmental Quality shall  
13 appoint directors to fill the vacancies on the board whenever the  
14 number of qualified directors is fewer than three. (Acts 69th Leg.,  
15 R.S., Ch. 764, Sec. 7(c) (part); New.)

16 Source Law

17 (c) . . . If at any time the number of qualified  
18 directors is less than three because of the failure or  
19 refusal of one or more directors to qualify or serve,  
20 the death or incapacitation of a director, or any other  
21 reason, the Texas Water Commission shall appoint the  
22 necessary number of directors to fill the vacancies on  
23 the board.

24 Revisor's Note

25 (1) Section 7(c), Chapter 764, Acts of the 69th  
26 Legislature, Regular Session, 1985, refers to a  
27 vacancy in the office of director "because of the  
28 failure or refusal of one or more directors to qualify  
29 or serve, the death or incapacitation of a director, or  
30 any other reason." The revised law omits the quoted  
31 language because it merely describes every manner in  
32 which a vacancy may occur without limiting in any way  
33 the board's duty to fill a vacancy.

34 (2) Section 49.105, Water Code, governs a  
35 vacancy in the office of director of certain  
36 districts, including a municipal utility district.  
37 Chapter 49, Water Code, applies to the district under  
38 Sections 49.001 and 49.002 of that chapter. For that  
39 reason and for the convenience of the reader, the

1 revised law adds a reference to Section 49.105.

2 (3) Section 7(c), Chapter 764, Acts of the 69th  
3 Legislature, Regular Session, 1985, refers to the  
4 "Texas Water Commission." The revised law substitutes  
5 "Texas Commission on Environmental Quality" for "Texas  
6 Water Commission" to reflect the current name of the  
7 agency with the relevant regulatory authority.

8 [Sections 8388.053-8388.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Revised Law

11 Sec. 8388.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
12 district may exercise the rights, powers, privileges, and functions  
13 provided by general law applicable to a municipal utility district,  
14 including Chapters 49 and 54, Water Code. (Acts 69th Leg., R.S.,  
15 Ch. 764, Sec. 5(a); New.)

16 Source Law

17 Sec. 5. (a) The district may exercise the  
18 rights, powers, privileges, authority, and functions  
19 provided by general law applicable to municipal  
20 utility districts, including Chapter 54, Water Code.

21 Revisor's Note

22 (1) Section 5(a), Chapter 764, Acts of the 69th  
23 Legislature, Regular Session, 1985, refers to the  
24 "rights, powers, privileges, [and] authority" of the  
25 district. The revised law omits the reference to  
26 "authority" because, in context, "authority" is  
27 included in the meaning of "rights, powers, [and]  
28 privileges."

29 (2) Section 5(a), Chapter 764, Acts of the 69th  
30 Legislature, Regular Session, 1985, refers to Chapter  
31 54, Water Code. For the reader's convenience, the  
32 revised law adds a reference to Chapter 49, Water Code,  
33 because Chapter 715, Acts of the 74th Legislature,  
34 Regular Session, 1995, repealed many provisions of  
35 Chapter 54 and enacted similar provisions in Chapter  
36 49, Water Code, which applies to the district under

1 Sections 49.001 and 49.002 of that chapter.

2 (3) Sections 5(b) and (c), Chapter 764, Acts of  
3 the 69th Legislature, Regular Session, 1985, provide  
4 that the act prevails over general law in case of a  
5 conflict or other inconsistency and that all general  
6 laws applicable to municipal utility districts not in  
7 conflict or inconsistent with the provisions of the  
8 act are adopted and incorporated by reference. The  
9 revised law omits the portion of those provisions  
10 relating to the act prevailing over general law  
11 because they duplicate in substance Section  
12 311.026(b), Government Code (Code Construction Act).  
13 The revised law omits the portion of those provisions  
14 relating to adoption and incorporation of general laws  
15 because Section 5(a) of Chapter 764 (revised as this  
16 section) already provides that those laws apply to the  
17 district, and it is unnecessary to repeat that  
18 authority. The omitted law reads:

19 (b) If any provision of the general  
20 law conflicts or is inconsistent with this  
21 Act, this Act prevails.

22 (c) The general law applicable to  
23 municipal utility districts that is not in  
24 conflict or inconsistent with this Act is  
25 adopted and incorporated by reference.

26 Revised Law

27 Sec. 8388.102. OPERATION AND MAINTENANCE OF DISTRICT  
28 FACILITIES. (a) The district shall operate and maintain any levee,  
29 retainage pond, pump, mitigation channel, or other facility,  
30 improvement, or property that serves property in the district  
31 unless the Harris County Flood Control District undertakes to  
32 operate or maintain the facility, improvement, or property.

33 (b) If, at the time the district is annexed by a  
34 municipality, the annexing municipality determines not to  
35 undertake to operate or maintain a levee, retainage pond, pump,  
36 mitigation channel, or other facility, improvement, or property  
37 that serves property in the district, the municipality may specify

1 in the annexation ordinance that the district shall continue to  
2 exist exclusively to:

3 (1) operate and maintain the levee, retainage pond,  
4 pump, mitigation channel, or other facility, improvement, or  
5 property; and

6 (2) impose a maintenance tax in the boundaries of the  
7 district, to the extent that a maintenance tax has previously been  
8 authorized. (Acts 69th Leg., R.S., Ch. 764, Secs. 8(a), (b).)

9 Source Law

10 Sec. 8. (a) The district shall operate and  
11 maintain all levees, retainage ponds, pumps,  
12 mitigation channels, and other facilities,  
13 improvements, or properties serving the properties  
14 within the district that the Harris County Flood  
15 Control District does not undertake to operate or  
16 maintain.

17 (b) If, at the time the district is annexed by a  
18 municipality, the annexing municipality determines  
19 not to undertake to operate or maintain any of those  
20 levees, retainage ponds, pumps, mitigation channels,  
21 or other facilities, improvements, or properties, the  
22 annexing municipality may specify, in its annexation  
23 ordinance, that the district shall continue to exist  
24 for the exclusive purposes of operating and  
25 maintaining those levees, retainage ponds, pumps,  
26 mitigation channels, and other facilities,  
27 improvements, or properties and of levying and  
28 collecting a maintenance tax within the boundaries of  
29 the district, to the extent that a maintenance tax has  
30 previously been authorized.

31 Revisor's Note

32 (1) Section 8(b), Chapter 764, Acts of the 69th  
33 Legislature, Regular Session, 1985, refers to "levying  
34 and collecting" a maintenance tax. The revised law  
35 substitutes "impose" for "levying and collecting"  
36 because "impose" is the term generally used in Title 1,  
37 Tax Code, and includes the levying and collecting of a  
38 tax.

39 (2) Section 8(c), Chapter 764, Acts of the 69th  
40 Legislature, Regular Session, 1985, provides that the  
41 district shall exist until the annexing city adopts a  
42 resolution as provided by Chapter 128, Acts of the 50th  
43 Legislature, Regular Session, 1947 (Article 1182c-1,  
44 Vernon's Texas Civil Statutes). The revised law omits

1 that provision because the cited law applies by its own  
2 terms. Article 1182c-1 was codified by Chapter 149,  
3 Acts of the 70th Legislature, Regular Session, 1987,  
4 as Sections 43.074, 43.075, and 43.081, Local  
5 Government Code. The omitted law reads:

6 (c) The district shall continue to  
7 exist for those purposes until the  
8 governing board of the annexing city adopts  
9 a resolution in the manner provided by  
10 Chapter 128, Acts of the 50th Legislature,  
11 Regular Session, 1947 (Article 1182c-1,  
12 Vernon's Texas Civil Statutes).

13 CHAPTER 8389. NORTHWEST FOREST MUNICIPAL UTILITY DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

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18 Sec. 8389.004. DISTRICT TERRITORY . . . . . 753

19 [Sections 8389.005-8389.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Sec. 8389.051. COMPOSITION OF BOARD . . . . . 755  
22 Sec. 8389.052. BOARD VACANCY . . . . . 757

23 [Sections 8389.053-8389.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 8389.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 758

26 CHAPTER 8389. NORTHWEST FOREST MUNICIPAL UTILITY DISTRICT

27 SUBCHAPTER A. GENERAL PROVISIONS

28 Revised Law

29 Sec. 8389.001. DEFINITIONS. In this chapter:  
30 (1) "Board" means the district's board of directors.  
31 (2) "Director" means a member of the board.  
32 (3) "District" means the Northwest Forest Municipal  
33 Utility District. (Acts 65th Leg., R.S., Ch. 687, Sec. 1 (part);  
34 New.)

35 Source Law

36 Sec. 1. . . . [a . . . district] . . . to be  
37 known as "NORTHWEST FOREST MUNICIPAL UTILITY  
38 DISTRICT," hereinafter called the "district," . . . .

1 Revisor's Note

2 The definitions of "board" and "director" are  
3 added to the revised law for drafting convenience and  
4 to eliminate frequent, unnecessary repetition of the  
5 substance of the definitions.

6 Revised Law

7 Sec. 8389.002. NATURE OF DISTRICT. The district is a  
8 conservation and reclamation district in Jefferson County created  
9 under Section 59, Article XVI, Texas Constitution. (Acts 65th  
10 Leg., R.S., Ch. 687, Sec. 1 (part).)

11 Source Law

12 Sec. 1. There is hereby created and  
13 established, under and pursuant to the provisions of  
14 Article XVI, Section 59, of the Texas Constitution, a  
15 conservation and reclamation district in Jefferson  
16 County, Texas, . . . which shall be a governmental  
17 agency and a body politic and corporate. . . .

18 Revisor's Note

19 (1) Section 1, Chapter 687, Acts of the 65th  
20 Legislature, Regular Session, 1977, provides that the  
21 district is "created and established." The revised  
22 law omits "established" because the meaning of that  
23 word is included in the meaning of "created."

24 (2) Section 1, Chapter 687, Acts of the 65th  
25 Legislature, Regular Session, 1977, refers to the  
26 district as "a governmental agency and a body politic  
27 and corporate." The revised law omits the quoted  
28 language because it duplicates a portion of Section  
29 59(b), Article XVI, Texas Constitution, which provides  
30 that a conservation and reclamation district is a  
31 governmental agency and a body politic and corporate.

32 Revised Law

33 Sec. 8389.003. 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 boundaries  
36 of the district will benefit from the works and projects  
37 accomplished by the district under the powers conferred by Section

1 59, Article XVI, Texas Constitution.

2 (c) The creation of the district is essential to accomplish  
3 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
4 65th Leg., R.S., Ch. 687, Secs. 1 (part), 3.)

5 Source Law

6 Sec. 1. . . . The creation and establishment of  
7 the district is hereby declared to be essential to the  
8 accomplishment of the purposes of Article XVI, Section  
9 59, of the Texas Constitution.

10 Sec. 3. It is determined and found that all of  
11 the land and other property included within the area  
12 and boundaries of the district will be benefited by the  
13 works and project which are to be accomplished by the  
14 district pursuant to the powers conferred by the  
15 provisions of Article XVI, Section 59, of the Texas  
16 Constitution, and that said district is created to  
17 serve a public use and benefit.

18 Revisor's Note

19 (1) Section 1, Chapter 687, Acts of the 65th  
20 Legislature, Regular Session, 1977, provides that the  
21 "creation and establishment" of the district are  
22 essential to accomplish the purposes of Section 59,  
23 Article XVI, Texas Constitution. The revised law  
24 omits "establishment" because its meaning is included  
25 in the meaning of "creation."

26 (2) Section 3, Chapter 687, Acts of the 65th  
27 Legislature, Regular Session, 1977, refers to land and  
28 other property included within the "area and  
29 boundaries of the district." The revised law omits the  
30 reference to "area" because, in context, "area" is  
31 included in the meaning of "boundaries."

32 Revised Law

33 Sec. 8389.004. DISTRICT TERRITORY. (a) The district is  
34 composed of the territory described by Section 4, Chapter 687, Acts  
35 of the 65th Legislature, Regular Session, 1977, as that territory  
36 may have been modified under:

- 37 (1) Subchapter H, Chapter 54, Water Code;
- 38 (2) Subchapter J, Chapter 49, Water Code; or
- 39 (3) other law.

1 (b) The boundaries and field notes of the district form a  
2 closure. A mistake in copying the field notes in the legislative  
3 process or another mistake in the field notes does not affect:

4 (1) the district's organization, existence, or  
5 validity;

6 (2) the district's right to issue any type of bond for  
7 a purpose for which the district is created or to pay the principal  
8 of and interest on the bond;

9 (3) the district's right to impose a tax; or

10 (4) the legality or operation of the district or its  
11 governing body. (Acts 65th Leg., R.S., Ch. 687, Sec. 2; New.)

12 Source Law

13 Sec. 2. It is determined and found that the  
14 boundaries and field notes of the district form a  
15 closure. If any mistake is made in copying the field  
16 notes in the legislative process or otherwise a  
17 mistake is made in the field notes, it shall in no way  
18 affect the organization, existence, and validity of  
19 the district, or the right of the district to issue any  
20 type of bonds or refunding bonds for the purpose for  
21 which the district is created or to pay the principal  
22 of and interest on the bonds, or the right to assess,  
23 levy, and collect taxes, or in any other manner affect  
24 the legality or operation of the district or its  
25 governing body.

26 Revisor's Note

27 (1) The revision of the law governing the  
28 district does not revise the statutory language  
29 describing the territory of the district to avoid the  
30 lengthy recitation of the description and because that  
31 description may not be accurate on the effective date  
32 of the revision or at the time of a later reading. For  
33 the reader's convenience, the revised law includes  
34 references to the statutory description of the  
35 district's territory and to the authority to change the  
36 district's territory under Subchapter H, Chapter 54,  
37 Water Code, applicable to municipal utility districts,  
38 and under Subchapter J, Chapter 49, Water Code,  
39 applicable to the district under Sections 49.001 and  
40 49.002 of that chapter. The revised law also includes

1 a reference to the general authority of the  
2 legislature to enact a law to change the district's  
3 territory.

4 (2) Section 2, Chapter 687, Acts of the 65th  
5 Legislature, Regular Session, 1977, provides that a  
6 mistake in the description of the district boundaries  
7 does not affect the right of the district to issue "any  
8 type of bonds or refunding bonds." The revised law  
9 omits the reference to "refunding bonds" because  
10 refunding bonds are included in the meaning of "any  
11 type of bonds."

12 (3) Section 2, Chapter 687, Acts of the 65th  
13 Legislature, Regular Session, 1977, refers to the  
14 district's authority to "assess, levy, and collect"  
15 taxes. The revised law substitutes "impose" for  
16 "assess, levy, and collect" because "impose" is the  
17 term generally used in Title 1, Tax Code, and includes  
18 the assessment, levy, and collection of a tax.

19 [Sections 8389.005-8389.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Revised Law

22 Sec. 8389.051. COMPOSITION OF BOARD. The board is composed  
23 of five elected directors. (Acts 65th Leg., R.S., Ch. 687, Sec.  
24 6(b) (part).)

25 Source Law

26 (b) . . . Succeeding directors shall be elected  
27 or . . . .

28 Revisor's Note

29 (1) Section 6, Chapter 687, Acts of the 65th  
30 Legislature, Regular Session, 1977, refers to the  
31 initial board of directors and to procedures for  
32 filling a vacancy on the initial board. The revised  
33 law omits these provisions as executed. The omitted  
34 law reads:

35 Sec. 6. (a) Immediately after this

1 Act becomes effective, the following named  
2 persons shall be the directors of the  
3 district and shall constitute the board of  
4 directors of the district:

5 W. G. Adkins  
6 Mel O. Bradburn  
7 James S. Turner  
8 R. R. Summers  
9 Malcolm M. Williams

10 (b) Said persons shall qualify to  
11 serve as directors prior to the first  
12 meeting of the board of directors. Should  
13 any of the above named directors fail to  
14 qualify for any reason, the remaining named  
15 directors shall appoint someone to fill  
16 such vacancy or vacancies; . . . . The  
17 directors above named or their duly  
18 appointed and qualified successor or  
19 successors shall serve until the first  
20 Saturday in April, 1978, at which time five  
21 permanent directors shall be elected. The  
22 two directors elected who received the  
23 fewest number of votes shall serve until  
24 April, 1979, and the three who receive the  
25 highest number of votes shall serve until  
26 April, 1980. . . .

27 (2) Section 6, Chapter 687, Acts of the 65th  
28 Legislature, Regular Session, 1977, refers to  
29 "[s]ucceeding directors" to distinguish the  
30 succeeding directors from the initial directors named  
31 in that section. The revised law substitutes "five"  
32 for "succeeding" to conform to the number of directors  
33 listed in Section 6 (establishing the initial board).

34 (3) Section 6(b), Chapter 687, Acts of the 65th  
35 Legislature, Regular Session, 1977, provides for  
36 directors to be elected or appointed and to serve for  
37 the term and in the manner provided by Chapter 54,  
38 Water Code. Chapter 715, Acts of the 74th Legislature,  
39 Regular Session, 1995, repealed the relevant  
40 provisions of Chapter 54 and enacted similar  
41 provisions in Chapter 49, Water Code, including  
42 Section 49.103, which governs the terms of office and  
43 manner of election of directors of a municipal utility  
44 district that is required by law to elect its  
45 directors. The revised law omits any reference to  
46 Chapter 49, Water Code, because Chapter 49 applies to  
47 the district under Sections 49.001 and 49.002 of that

1 chapter. The revised law also omits "appointed"  
2 because it is clear from the context of Section 6 that  
3 the reference applies only to directors appointed to  
4 fill vacancies as provided by Chapter 49, Water Code.  
5 The omitted law reads:

6 (b) . . . [Succeeding directors  
7 shall be elected or] appointed in the  
8 manner, and shall serve for the term,  
9 provided by Chapter 54, Water Code.

10 Revised Law

11 Sec. 8389.052. BOARD VACANCY. (a) Except as provided by  
12 Subsection (b), a vacancy in the office of director shall be filled  
13 in the manner provided by Section 49.105, Water Code.

14 (b) The Texas Commission on Environmental Quality shall  
15 appoint directors to fill all of the vacancies on the board whenever  
16 the number of qualified directors is fewer than three. (Acts 65th  
17 Leg., R.S., Ch. 687, Sec. 6(b) (part).)

18 Source Law

19 (b) . . . provided, however, that if at any time  
20 the number of qualified directors shall be less than  
21 three because of the failure or refusal of one or more  
22 directors to qualify or serve or because of his or  
23 their death or incapacitation, or for any such other  
24 reason, the Texas Water Rights Commission shall  
25 appoint the necessary number of directors to fill all  
26 vacancies on the board. . . .

27 Revisor's Note

28 (1) Section 6(b), Chapter 687, Acts of the 65th  
29 Legislature, Regular Session, 1977, refers to a  
30 vacancy in the office of director "because of the  
31 failure or refusal of one or more directors to qualify  
32 or serve or because of his or their death or  
33 incapacitation, or for any such other reason." The  
34 revised law omits the quoted language because it  
35 merely describes every manner in which a vacancy may  
36 occur without limiting in any way the board's duty to  
37 fill a vacancy.

38 (2) Section 49.105, Water Code, governs a  
39 vacancy in the office of director of certain

1 districts, including a municipal utility district.  
2 Chapter 49 applies to the district under Sections  
3 49.001 and 49.002 of that chapter. For that reason and  
4 for the convenience of the reader, the revised law adds  
5 a reference to Section 49.105.

6 (3) Section 6(b), Chapter 687, Acts of the 65th  
7 Legislature, Regular Session, 1977, refers to the  
8 "Texas Water Rights Commission." The revised law  
9 substitutes "Texas Commission on Environmental  
10 Quality" for "Texas Water Rights Commission" to  
11 reflect the current name of the agency with the  
12 relevant regulatory authority.

13 [Sections 8389.053-8389.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Revised Law

16 Sec. 8389.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
17 district has the rights, powers, privileges, and functions  
18 conferred by general law applicable to a municipal utility  
19 district, including Chapters 49 and 54, Water Code. (Acts 65th  
20 Leg., R.S., Ch. 687, Sec. 5 (part); New.)

21 Source Law

22 Sec. 5. The district is hereby vested with, and  
23 shall have and exercise, all of the rights, powers,  
24 privileges, authority, and functions conferred by the  
25 general laws of this state now in force or hereinafter  
26 enacted applicable to municipal utility districts,  
27 including without limitation those conferred by  
28 Chapter 54, Water Code, but . . . .

29 Revisor's Note

30 (1) Section 5, Chapter 687, Acts of the 65th  
31 Legislature, Regular Session, 1977, provides that the  
32 district "is hereby vested with, and shall have and  
33 exercise" certain powers. The revised law substitutes  
34 "has" for the quoted language because, in context, the  
35 terms are synonymous and "has" is more commonly used.

36 (2) Section 5, Chapter 687, Acts of the 65th  
37 Legislature, Regular Session, 1977, refers to the

1 "rights, powers, privileges, [and] authority" of the  
2 district. The revised law omits the reference to  
3 "authority" because, in context, "authority" is  
4 included in the meaning of "rights, powers, [and]  
5 privileges."

6 (3) Section 5, Chapter 687, Acts of the 65th  
7 Legislature, Regular Session, 1977, grants the  
8 district certain powers, "including without  
9 limitation those conferred by Chapter 54, Water Code."  
10 The revised law omits "without limitation" because  
11 Section 311.005(13), Government Code (Code  
12 Construction Act), provides that "includes" and  
13 "including" are terms of enlargement and not of  
14 limitation and do not create a presumption that  
15 components not expressed are excluded.

16 (4) Section 5, Chapter 687, Acts of the 65th  
17 Legislature, Regular Session, 1977, refers to Chapter  
18 54, Water Code. For the reader's convenience, the  
19 revised law adds a reference to Chapter 49, Water Code,  
20 because Chapter 715, Acts of the 74th Legislature,  
21 Regular Session, 1995, repealed many provisions of  
22 Chapter 54 and enacted similar provisions in Chapter  
23 49, Water Code, which applies to the district under  
24 Sections 49.001 and 49.002 of that chapter.

25 (5) Section 5, Chapter 687, Acts of the 65th  
26 Legislature, Regular Session, 1977, provides that the  
27 act prevails over general law in case of a conflict or  
28 other inconsistency and that all general laws  
29 applicable to municipal utility districts not in  
30 conflict or inconsistent with the provisions of the  
31 act are adopted and incorporated by reference. The  
32 revised law omits the portion of the provision  
33 relating to the act prevailing over general law  
34 because it duplicates in substance Section 311.026(b),

1 Government Code (Code Construction Act). The revised  
2 law omits the portion of the provision relating to  
3 adoption and incorporation of general laws because  
4 Section 5 of Chapter 687 (revised as this section)  
5 already provides that those laws apply to the  
6 district, and it is unnecessary to repeat that  
7 authority. The omitted law reads:

8           Sec. 5. . . . if any provision of  
9 such general laws shall be in conflict or  
10 inconsistent with the provisions of this  
11 Act, the provisions of this Act shall  
12 prevail. All such general laws applicable  
13 to municipal utility districts not in  
14 conflict or inconsistent with the  
15 provisions of this Act, including without  
16 limitation Sections 54.501 through 54.520  
17 and Sections 54.711 through 54.726, Water  
18 Code, are hereby adopted and incorporated  
19 by reference with the same effect as if  
20 copied in full in this Act.

21                           Revisor's Note  
22                           (End of Chapter)

23           (1) Section 7, Chapter 687, Acts of the 65th  
24 Legislature, Regular Session, 1977, contains  
25 legislative findings relating to the performance of  
26 certain requirements under Sections 59(d) and (e),  
27 Article XVI, Texas Constitution, and to the authority  
28 of the legislature to enact that chapter. The revised  
29 law omits the provision as executed. The omitted law  
30 reads:

31           Sec. 7. The legislature specifically  
32 finds and declares that the requirements of  
33 Article XVI, Section 59(d), of the Texas  
34 Constitution, and Article XVI, Section  
35 59(e), of the Texas Constitution, have been  
36 performed and accomplished in due course  
37 and time and order, and that the legislature  
38 has the power and authority to enact this  
39 Act.

40           (2) Section 8, Chapter 687, Acts of the 65th  
41 Legislature, Regular Session, 1977, provides that the  
42 act is severable. The revised law omits that provision  
43 because the same result is produced by application of  
44 Section 311.032(c), Government Code (Code  
45 Construction Act), which provides that a provision of

1 a statute is severable from each other provision of the  
2 statute that can be given effect. The omitted law  
3 reads:

4 Sec. 8. If any word, phrase, clause,  
5 paragraph, sentence, part, portion, or  
6 provision of this Act or the application  
7 thereof to any persons or circumstances  
8 shall be held to be invalid or  
9 unconstitutional, the remainder of the Act  
10 shall nevertheless be valid, and the  
11 legislature hereby declares that this Act  
12 would have been enacted without such  
13 invalid or unconstitutional word, phrase,  
14 clause, paragraph, sentence, part, portion,  
15 or provision.

16 CHAPTER 8391. OAKMONT PUBLIC UTILITY DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 8391.001. DEFINITIONS . . . . . 761  
19 Sec. 8391.002. NATURE OF DISTRICT . . . . . 762  
20 Sec. 8391.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 763  
21 Sec. 8391.004. DISTRICT TERRITORY . . . . . 764

22 [Sections 8391.005-8391.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 8391.051. COMPOSITION OF BOARD . . . . . 765  
25 Sec. 8391.052. BOARD VACANCY . . . . . 767

26 [Sections 8391.053-8391.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

28 Sec. 8391.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 769

29 CHAPTER 8391. OAKMONT PUBLIC UTILITY DISTRICT

30 SUBCHAPTER A. GENERAL PROVISIONS

31 Revised Law

32 Sec. 8391.001. DEFINITIONS. In this chapter:

33 (1) "Board" means the district's board of directors.

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

35 (3) "District" means the Oakmont Public Utility  
36 District. (Acts 62nd Leg., R.S., Ch. 625, Sec. 1 (part); New.)

37 Source Law

38 Sec. 1. . . . [a . . . district] . . . to be  
39 known as "Oakmont Public Utility District,"  
40 hereinafter called the "district," . . . .

1 Revisor's Note

2 The definitions of "board" and "director" are  
3 added to the revised law for drafting convenience and  
4 to eliminate frequent, unnecessary repetition of the  
5 substance of the definitions.

6 Revised Law

7 Sec. 8391.002. NATURE OF DISTRICT. The district is a  
8 conservation and reclamation district in Harris County created  
9 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
10 R.S., Ch. 625, Sec. 1 (part).)

11 Source Law

12 Sec. 1. . . . there is hereby created and  
13 established, under and pursuant to the provisions of  
14 Article XVI, Section 59 of the Constitution of Texas, a  
15 conservation and reclamation district in Harris  
16 County, Texas, . . . which shall be a governmental  
17 agency and a body politic and corporate. . . .

18 Revisor's Note

19 (1) Section 1, Chapter 625, Acts of the 62nd  
20 Legislature, Regular Session, 1971, provides that the  
21 district is "created and established." The revised  
22 law omits "established" because the meaning of that  
23 word is included in the meaning of "created."

24 (2) Section 1, Chapter 625, Acts of the 62nd  
25 Legislature, Regular Session, 1971, provides that the  
26 district is created notwithstanding certain laws  
27 relating to consent. The revised law omits that  
28 provision as executed because the district has been  
29 created. The omitted law reads:

30 Sec. 1. Notwithstanding provisions  
31 of the general laws relating to consent by  
32 political subdivisions for the creation of  
33 conservation and reclamation districts,  
34 [there is hereby created . . . a  
35 conservation and reclamation district]  
36 . . . .

37 (3) Section 1, Chapter 625, Acts of the 62nd  
38 Legislature, Regular Session, 1971, refers to the  
39 district as "a governmental agency and a body politic  
40 and corporate." The revised law omits the quoted

1 language because it duplicates a portion of Section  
2 59(b), Article XVI, Texas Constitution, which provides  
3 that a conservation and reclamation district is a  
4 governmental agency and a body politic and corporate.

5 Revised Law

6 Sec. 8391.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
7 The district is created to serve a public use and benefit.

8 (b) All land and other property included in the boundaries  
9 of the district will benefit from the works and projects  
10 accomplished by the district under the powers conferred by Section  
11 59, Article XVI, Texas Constitution.

12 (c) The creation of the district is essential to accomplish  
13 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
14 62nd Leg., R.S., Ch. 625, Secs. 1 (part), 3.)

15 Source Law

16 Sec. 1. . . . The creation and establishment of  
17 the district is hereby declared to be essential to the  
18 accomplishment of the purposes of Article XVI, Section  
19 59 of the Constitution of Texas.

20 Sec. 3. It is determined and found that all of  
21 the land and other property included within the area  
22 and boundaries of the district will be benefited by the  
23 works and project which are to be accomplished by the  
24 district pursuant to the powers conferred by the  
25 provisions of Article XVI, Section 59 of the  
26 Constitution of Texas, and that said district is  
27 created to serve a public use and benefit.

28 Revisor's Note

29 (1) Section 1, Chapter 625, Acts of the 62nd  
30 Legislature, Regular Session, 1971, provides that the  
31 "creation and establishment" of the district are  
32 essential to accomplish the purposes of Section 59,  
33 Article XVI, Texas Constitution. The revised law  
34 omits "establishment" because its meaning is included  
35 in the meaning of "creation."

36 (2) Section 3, Chapter 625, Acts of the 62nd  
37 Legislature, Regular Session, 1971, refers to land and  
38 other property included within the "area and  
39 boundaries of the district." The revised law omits the

1 reference to "area" because, in context, "area" is  
2 included in the meaning of "boundaries."

3 Revised Law

4 Sec. 8391.004. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Section 4, Chapter 625, Acts  
6 of the 62nd Legislature, Regular Session, 1971, as that territory  
7 may have been modified under:

- 8 (1) Subchapter H, Chapter 54, Water Code;  
9 (2) Subchapter J, Chapter 49, Water Code; or  
10 (3) other law.

11 (b) The boundaries and field notes of the district form a  
12 closure. A mistake in copying the field notes in the legislative  
13 process or another mistake in the field notes does not affect:

- 14 (1) the district's organization, existence, or  
15 validity;  
16 (2) the district's right to issue any type of bond for  
17 a purpose for which the district is created or to pay the principal  
18 of and interest on the bond;  
19 (3) the district's right to impose a tax; or  
20 (4) the legality or operation of the district or its  
21 governing body. (Acts 62nd Leg., R.S., Ch. 625, Sec. 2; New.)

22 Source Law

23 Sec. 2. It is determined and found that the  
24 boundaries and field notes of the district form a  
25 closure. If any mistake is made in copying the field  
26 notes in the legislative process or otherwise a  
27 mistake is made in the field notes, it shall in no way  
28 affect the organization, existence and validity of the  
29 district, or the right of the district to issue any  
30 type of bonds or refunding bonds for the purposes for  
31 which the district is created or to pay the principal  
32 and interest thereon, or the right to assess, levy and  
33 collect taxes, or in any other manner affect the  
34 legality or operation of the district or its governing  
35 body.

36 Revisor's Note

37 (1) The revision of the law governing the  
38 district does not revise the statutory language  
39 describing the territory of the district to avoid the  
40 lengthy recitation of the description and because that

1 description may not be accurate on the effective date  
2 of the revision or at the time of a later reading. For  
3 the reader's convenience, the revised law includes  
4 references to the statutory description of the  
5 district's territory and to the authority to change the  
6 district's territory under Subchapter H, Chapter 54,  
7 Water Code, applicable to the district under Section  
8 5, Chapter 625, Acts of the 62nd Legislature, Regular  
9 Session, 1971 (revised in this chapter as Section  
10 8391.101), and under Subchapter J, Chapter 49, Water  
11 Code, applicable to the district under Sections 49.001  
12 and 49.002 of that chapter. The revised law also  
13 includes a reference to the general authority of the  
14 legislature to enact a law to change the district's  
15 territory.

16 (2) Section 2, Chapter 625, Acts of the 62nd  
17 Legislature, Regular Session, 1971, provides that a  
18 mistake in the description of the district boundaries  
19 does not affect the right of the district to issue "any  
20 type of bonds or refunding bonds." The revised law  
21 omits the reference to "refunding bonds" because  
22 refunding bonds are included in the meaning of "any  
23 type of bonds."

24 (3) Section 2, Chapter 625, Acts of the 62nd  
25 Legislature, Regular Session, 1971, refers to the  
26 district's authority to "assess, levy and collect"  
27 taxes. The revised law substitutes "impose" for  
28 "assess, levy and collect" because "impose" is the  
29 term generally used in Title 1, Tax Code, and includes  
30 the assessment, levy, and collection of a tax.

31 [Sections 8391.005-8391.050 reserved for expansion]

32 SUBCHAPTER B. BOARD OF DIRECTORS

33 Revised Law

34 Sec. 8391.051. COMPOSITION OF BOARD. The board is composed

1 of five elected directors. (Acts 62nd Leg., R.S., Ch. 625, Sec. 6  
2 (part).)

3 Source Law

4 Sec. 6. . . . Succeeding directors shall be  
5 elected or . . . .

6 Revisor's Note

7 (1) Section 6, Chapter 625, Acts of the 62nd  
8 Legislature, Regular Session, 1971, refers to the  
9 initial board of directors and that board's vacancy  
10 procedures. The revised law omits the language as  
11 executed. The omitted law reads:

12 Sec. 6. Immediately after this Act  
13 becomes effective, the following named  
14 persons shall be the directors of the  
15 district and shall constitute the board of  
16 directors of the district:

17 Ted L. Bellmont  
18 Milton H. Pyndus  
19 Jim Brown  
20 Jerry Kirkpatrick  
21 Dugal Pope

22 Said persons shall qualify to serve as  
23 directors prior to the first meeting of the  
24 board of directors. Should any of the above  
25 named directors fail to qualify for any  
26 reason, the remaining named directors shall  
27 appoint someone to fill such vacancy or  
28 vacancies; . . . . The directors above  
29 named or their duly appointed and qualified  
30 successor or successors shall serve until  
31 the second Saturday in January, 1973. . . .

32 (2) Section 6, Chapter 625, Acts of the 62nd  
33 Legislature, Regular Session, 1971, refers to  
34 "[s]ucceeding directors" to distinguish the  
35 succeeding directors from the initial directors named  
36 in that section. The revised law substitutes "five"  
37 for "succeeding" to conform to the number of directors  
38 listed in Section 6 (establishing the initial board).

39 (3) Section 6, Chapter 625, Acts of the 62nd  
40 Legislature, Regular Session, 1971, provides for  
41 directors to be elected or appointed and to serve for  
42 the term and in the manner provided by Chapter 54,  
43 Water Code. Chapter 715, Acts of the 74th Legislature,  
44 Regular Session, 1995, repealed the relevant

1 provisions of Chapter 54 and enacted similar  
2 provisions in Chapter 49, Water Code, including  
3 Section 49.103, which governs the terms of office and  
4 manner of election of directors of a municipal utility  
5 district that is required by law to elect its  
6 directors. The revised law omits any reference to  
7 Chapter 49, Water Code, because Chapter 49 applies to  
8 the district under Sections 49.001 and 49.002 of that  
9 chapter. The revised law also omits "appointed"  
10 because it is clear from the context of Section 6 that  
11 the reference applies only to directors appointed to  
12 fill vacancies as provided by Chapter 49, Water Code.  
13 The omitted law reads:

14           Sec. 6. . . . [Succeeding directors  
15           shall be elected or] appointed and shall  
16           serve for the term and in the manner  
17           provided by Chapter 54, Title 4, Water Code.

18                           Revised Law

19           Sec. 8391.052. BOARD VACANCY. (a) Except as provided by  
20 Subsection (b), a vacancy in the office of director shall be filled  
21 in the manner provided by Section 49.105, Water Code.

22           (b) The Texas Commission on Environmental Quality shall  
23 appoint directors to fill all of the vacancies on the board whenever  
24 the number of qualified directors is fewer than three. (Acts 62nd  
25 Leg., R.S., Ch. 625, Sec. 6 (part); New.)

26                           Source Law

27           Sec. 6. . . . [Should any of the above named  
28           directors fail to qualify for any reason, the  
29           remaining named directors shall appoint someone to  
30           fill such vacancy or vacancies;] provided, however,  
31           that if at any time the number of qualified directors  
32           shall be less than three because of the failure or  
33           refusal of one or more directors to qualify or serve or  
34           because of his or their death or incapacitation, or for  
35           any such other reason, the Texas Water Rights  
36           Commission shall appoint the necessary number of  
37           directors to fill all vacancies on the board. . . .

38                           Revisor's Note

39           (1) Section 6, Chapter 625, Acts of the 62nd  
40 Legislature, Regular Session, 1971, governs the manner  
41 in which multiple board vacancies are filled. Section

1 49.105, Water Code, governs the manner of filling a  
2 vacancy in the office of director of certain  
3 districts, including a municipal utility district.  
4 Chapter 49, Water Code, applies to the district under  
5 Sections 49.001 and 49.002 of that chapter. For that  
6 reason and for the convenience of the reader, the  
7 revised law adds a reference to Section 49.105.

8 (2) Section 6, Chapter 625, Acts of the 62nd  
9 Legislature, Regular Session, 1971, refers to a  
10 vacancy in the office of director "because of the  
11 failure or refusal of one or more directors to qualify  
12 or serve or because of his or their death or  
13 incapacitation, or for any such other reason." The  
14 revised law omits the quoted language because it  
15 merely describes every manner in which a board vacancy  
16 may occur without limiting in any way the duty to fill  
17 the vacancy.

18 (3) Section 6, Chapter 625, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to the  
20 "Texas Water Rights Commission." The revised law  
21 substitutes "Texas Commission on Environmental  
22 Quality" for "Texas Water Rights Commission" to  
23 reflect a change in the agency's name. In 1977,  
24 Section 9, Chapter 870, Acts of the 65th Legislature,  
25 Regular Session, abolished the Texas Water Rights  
26 Commission and created the Texas Water Commission.  
27 The name of the Texas Water Commission was changed to  
28 the Texas Natural Resource Conservation Commission by  
29 Section 1.085, Chapter 3, Acts of the 72nd  
30 Legislature, 1st Called Session, 1991. The name of the  
31 Texas Natural Resource Conservation Commission was  
32 changed to the Texas Commission on Environmental  
33 Quality by Section 18.01, Chapter 965, Acts of the 77th  
34 Legislature, Regular Session, 2001. The revised law

1 is drafted accordingly.

2 [Sections 8391.053-8391.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Revised Law

5 Sec. 8391.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
6 district has the rights, powers, privileges, and functions  
7 conferred by general law applicable to a municipal utility  
8 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
9 Leg., R.S., Ch. 625, Sec. 5 (part); New.)

10 Source Law

11 Sec. 5. The district is hereby vested with, and  
12 shall have and exercise, all of the rights, powers,  
13 privileges, authority and functions conferred by the  
14 general laws of this state applicable to municipal  
15 utility districts, including without limitation those  
16 conferred by Chapter 54, Title 4, Water Code, but  
17 . . . .

18 Revisor's Note

19 (1) Section 5, Chapter 625, Acts of the 62nd  
20 Legislature, Regular Session, 1971, provides that the  
21 district "is hereby vested with, and shall have and  
22 exercise" certain powers. The revised law substitutes  
23 "has" for the quoted language because, in context, the  
24 terms are synonymous and "has" is more commonly used.

25 (2) Section 5, Chapter 625, Acts of the 62nd  
26 Legislature, Regular Session, 1971, refers to the  
27 "rights, powers, privileges, [and] authority" of the  
28 district. The revised law omits the reference to  
29 "authority" because, in context, "authority" is  
30 included in the meaning of "rights, powers, [and]  
31 privileges."

32 (3) Section 5, Chapter 625, Acts of the 62nd  
33 Legislature, Regular Session, 1971, grants the  
34 district certain powers, "including without  
35 limitation those conferred by Chapter 54, Title 4,  
36 Water Code." The revised law omits "without  
37 limitation" because Section 311.005(13), Government

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

5 (4) Section 5, Chapter 625, Acts of the 62nd  
6 Legislature, Regular Session, 1971, refers to Chapter  
7 54, Water Code. For the reader's convenience, the  
8 revised law adds a reference to Chapter 49, Water Code,  
9 because Chapter 715, Acts of the 74th Legislature,  
10 Regular Session, 1995, repealed many provisions of  
11 Chapter 54 and enacted similar provisions in Chapter  
12 49, Water Code, which applies to the district under  
13 Sections 49.001 and 49.002 of that chapter.

14 (5) Section 5, Chapter 625, Acts of the 62nd  
15 Legislature, Regular Session, 1971, provides that the  
16 act prevails over general law in case of a conflict or  
17 other inconsistency and that all general laws  
18 applicable to municipal utility districts not in  
19 conflict or inconsistent with the provisions of the  
20 act are adopted and incorporated by reference. The  
21 revised law omits the portion of the provision  
22 relating to the act prevailing over general law  
23 because it duplicates Section 311.026(b), Government  
24 Code (Code Construction Act). The revised law omits  
25 the portion of the provision relating to adoption and  
26 incorporation of general laws because Section 5 of  
27 Chapter 625 (revised as this section) already provides  
28 that those laws apply to the district, and it is  
29 unnecessary to repeat that authority. The omitted law  
30 reads:

31 Sec. 5. . . . if any provision of  
32 such general laws shall be in conflict or  
33 inconsistent with the provisions of this  
34 Act, the provisions of this Act shall  
35 prevail. All such general laws applicable  
36 to municipal utility districts not in  
37 conflict or inconsistent with the  
38 provisions of this Act are hereby adopted

1 and incorporated by reference with the same  
2 effect as if copied in full in this Act.

3 Revisor's Note  
4 (End of Chapter)

5 (1) Section 7, Chapter 625, Acts of the 62nd  
6 Legislature, Regular Session, 1971, contains  
7 legislative findings relating to the performance of  
8 the requirements of Section 59(d), Article XVI, Texas  
9 Constitution, and to the authority of the legislature  
10 to enact that chapter. The revised law omits the  
11 provision as executed. The omitted law reads:

12 Sec. 7. The Legislature specifically  
13 finds and declares that the requirements of  
14 Article XVI, Section 59(d) of the  
15 Constitution of Texas have been performed  
16 and accomplished in due course and time and  
17 order, and that the Legislature has the  
18 power and authority to enact this Act.

19 (2) Section 8, Chapter 625, Acts of the 62nd  
20 Legislature, Regular Session, 1971, provides that the  
21 act is severable. The revised law omits that provision  
22 because it duplicates Section 311.032, Government Code  
23 (Code Construction Act), which provides that a  
24 provision of a statute is severable from each other  
25 provision of the statute that can be given effect. The  
26 omitted law reads:

27 Sec. 8. If any word, phrase, clause,  
28 paragraph, sentence, part, portion or  
29 provision of this Act or the application  
30 thereof to any persons or circumstances  
31 shall be held to be invalid or  
32 unconstitutional, the remainder of the Act  
33 shall nevertheless be valid and the  
34 Legislature hereby declares that this Act  
35 would have been enacted without such  
36 invalid or unconstitutional word, phrase,  
37 clause, paragraph, sentence, part, portion  
38 or provision.

39 CHAPTER 8393. PINE BOUGH PUBLIC UTILITY DISTRICT

40 SUBCHAPTER A. GENERAL PROVISIONS

41 Sec. 8393.001. DEFINITIONS . . . . . 772  
42 Sec. 8393.002. NATURE OF DISTRICT . . . . . 772  
43 Sec. 8393.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 773  
44 Sec. 8393.004. DISTRICT TERRITORY . . . . . 774

1 [Sections 8393.005-8393.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8393.051. COMPOSITION OF BOARD . . . . . 776  
4 Sec. 8393.052. BOARD VACANCY . . . . . 777

5 [Sections 8393.053-8393.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 8393.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 779

8 CHAPTER 8393. PINE BOUGH PUBLIC UTILITY DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Revised Law

11 Sec. 8393.001. DEFINITIONS. In this chapter:

- 12 (1) "Board" means the district's board of directors.
- 13 (2) "Director" means a member of the board.
- 14 (3) "District" means the Pine Bough Public Utility

15 District. (Acts 62nd Leg., R.S., Ch. 247, Sec. 1 (part); New.)

16 Source Law

17 Sec. 1. . . . [a . . . district] . . . to be  
18 known as "Pine Bough Public Utility District,"  
19 hereinafter called the "district," . . . .

20 Revisor's Note

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

25 Revised Law

26 Sec. 8393.002. NATURE OF DISTRICT. The district is a  
27 conservation and reclamation district in Harris County created  
28 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
29 Leg., R.S., Ch. 247, Sec. 1 (part).)

30 Source Law

31 Sec. 1. . . . there is hereby created and  
32 established under and pursuant to the provisions of  
33 Article XVI, Section 59 of the Constitution of Texas, a  
34 conservation and reclamation district in Harris  
35 County, Texas, . . . which shall be a governmental  
36 agency and a body politic and corporate. . . .

37 Revisor's Note

- 38 (1) Section 1, Chapter 247, Acts of the 62nd

1 Legislature, Regular Session, 1971, provides that the  
2 district is "created and established." The revised  
3 law omits "established" because the meaning of that  
4 word is included in the meaning of "created."

5 (2) Section 1, Chapter 247, Acts of the 62nd  
6 Legislature, Regular Session, 1971, provides that the  
7 district is created notwithstanding certain laws  
8 relating to consent. The revised law omits that  
9 provision as executed because the district has been  
10 created. The omitted law reads:

11 Sec. 1. Notwithstanding provisions  
12 of the general laws relating to consent by  
13 political subdivisions for the creation of  
14 conservation and reclamation districts,  
15 [there is hereby created . . . a  
16 conservation and reclamation district]  
17 . . . .

18 (3) Section 1, Chapter 247, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to the  
20 district as "a governmental agency and a body politic  
21 and corporate." The revised law omits the quoted  
22 language because it duplicates a portion of Section  
23 59(b), Article XVI, Texas Constitution, which provides  
24 that a conservation and reclamation district is a  
25 governmental agency and a body politic and corporate.

26 Revised Law

27 Sec. 8393.003. 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 boundaries  
30 of the district will benefit from the works and projects  
31 accomplished by the district under the powers conferred by Section  
32 59, Article XVI, Texas Constitution.

33 (c) The creation of the district is essential to accomplish  
34 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
35 62nd Leg., R.S., Ch. 247, Secs. 1 (part), 3.)

36 Source Law

37 Sec. 1. . . . The creation and establishment of  
38 the district is hereby declared to be essential to the

1 accomplishment of the purposes of Article XVI, Section  
2 59 of the Constitution of Texas.

3 Sec. 3. It is determined and found that all of  
4 the land and other property included within the area  
5 and boundaries of the district will be benefited by the  
6 works and project which are to be accomplished by the  
7 district pursuant to the powers conferred by the  
8 provisions of Article XVI, Section 59 of the  
9 Constitution of Texas, and that said district is  
10 created to serve a public use and benefit.

11 Revisor's Note

12 (1) Section 1, Chapter 247, Acts of the 62nd  
13 Legislature, Regular Session, 1971, provides that the  
14 "creation and establishment" of the district are  
15 essential to accomplish the purposes of Section 59,  
16 Article XVI, Texas Constitution. The revised law  
17 omits "establishment" because its meaning is included  
18 in the meaning of "creation."

19 (2) Section 3, Chapter 247, Acts of the 62nd  
20 Legislature, Regular Session, 1971, refers to land and  
21 other property included within the "area and  
22 boundaries of the district." The revised law omits the  
23 reference to "area" because, in context, "area" is  
24 included in the meaning of "boundaries."

25 Revised Law

26 Sec. 8393.004. DISTRICT TERRITORY. (a) The district is  
27 composed of the territory described by Section 4, Chapter 247, Acts  
28 of the 62nd Legislature, Regular Session, 1971, as that territory  
29 may have been modified under:

- 30 (1) Subchapter H, Chapter 54, Water Code;  
31 (2) Subchapter J, Chapter 49, Water Code; or  
32 (3) other law.

33 (b) The boundaries and field notes of the district form a  
34 closure. A mistake in copying the field notes in the legislative  
35 process or another mistake in the field notes does not affect:

- 36 (1) the district's organization, existence, or  
37 validity;  
38 (2) the district's right to issue any type of bond for  
39 a purpose for which the district is created or to pay the principal

1 of and interest on the bond;

2 (3) the district's right to impose a tax; or

3 (4) the legality or operation of the district or its  
4 governing body. (Acts 62nd Leg., R.S., Ch. 247, Sec. 2; New.)

5 Source Law

6 Sec. 2. It is determined and found that the  
7 boundaries and field notes of the district form a  
8 closure. If any mistake is made in copying the field  
9 notes in the legislative process or otherwise a  
10 mistake is made in the field notes, it shall in no way  
11 affect the organization, existence and validity of the  
12 district, or the right of the district to issue any  
13 type of bonds or refunding bonds for the purposes for  
14 which the district is created or to pay the principal  
15 and interest thereon, or the right to assess, levy and  
16 collect taxes, or in any other manner affect the  
17 legality or operation of the district or its governing  
18 body.

19 Revisor's Note

20 (1) The revision of the law governing the  
21 district does not revise the statutory language  
22 describing the territory of the district to avoid the  
23 lengthy recitation of the description and because that  
24 description may not be accurate on the effective date  
25 of the revision or at the time of a later reading. For  
26 the reader's convenience, the revised law includes  
27 references to the statutory description of the  
28 district's territory and to the authority to change the  
29 district's territory under Subchapter H, Chapter 54,  
30 Water Code, applicable to the district under Section  
31 5, Chapter 247, Acts of the 62nd Legislature, Regular  
32 Session, 1971 (revised in this chapter as Section  
33 8393.101), and under Subchapter J, Chapter 49, Water  
34 Code, applicable to the district under Sections 49.001  
35 and 49.002 of that chapter. The revised law also  
36 includes a reference to the general authority of the  
37 legislature to enact a law to change the district's  
38 territory.

39 (2) Section 2, Chapter 247, Acts of the 62nd  
40 Legislature, Regular Session, 1971, provides that a

1 mistake in the description of the district boundaries  
2 does not affect the right of the district to issue "any  
3 type of bonds or refunding bonds." The revised law  
4 omits the reference to "refunding bonds" because  
5 refunding bonds are included in the meaning of "any  
6 type of bonds."

7 (3) Section 2, Chapter 247, Acts of the 62nd  
8 Legislature, Regular Session, 1971, refers to the  
9 district's authority to "assess, levy and collect"  
10 taxes. The revised law substitutes "impose" for  
11 "assess, levy and collect" because "impose" is the  
12 term generally used in Title 1, Tax Code, and includes  
13 the assessment, levy, and collection of a tax.

14 [Sections 8393.005-8393.050 reserved for expansion]

15 SUBCHAPTER B. BOARD OF DIRECTORS

16 Revised Law

17 Sec. 8393.051. COMPOSITION OF BOARD. The board is composed  
18 of five elected directors. (Acts 62nd Leg., R.S., Ch. 247, Sec. 6  
19 (part).)

20 Source Law

21 Sec. 6. . . . Succeeding directors shall be  
22 elected or . . . .

23 Revisor's Note

24 (1) Section 6, Chapter 247, Acts of the 62nd  
25 Legislature, Regular Session, 1971, refers to the  
26 initial board of directors and that board's vacancy  
27 procedures. The revised law omits the language as  
28 executed. The omitted law reads:

29 Sec. 6. Immediately after this Act  
30 becomes effective, the following named  
31 persons shall be the directors of the  
32 district and shall constitute the board of  
33 directors of the district:

34 S. A. Marmion  
35 Wendell Harris  
36 Thomas W. Heywood  
37 George R. Eeds  
38 Hensel Murchison

39 Said persons shall qualify to serve as  
40 directors prior to the first meeting of the  
41 board of directors. Should any of the above

1 named directors fail to qualify for any  
2 reason, the remaining named directors shall  
3 appoint someone to fill such vacancy or  
4 vacancies; . . . . The directors above  
5 named or their duly appointed and qualified  
6 successor or successors shall serve until  
7 the second Saturday in January, 1973. . . .

8 (2) Section 6, Chapter 247, Acts of the 62nd  
9 Legislature, Regular Session, 1971, refers to  
10 "[s]ucceeding directors" to distinguish the  
11 succeeding directors from the initial directors named  
12 in that section. The revised law substitutes "five"  
13 for "succeeding" to conform to the number of directors  
14 listed in Section 6 (establishing the initial board).

15 (3) Section 6, Chapter 247, Acts of the 62nd  
16 Legislature, Regular Session, 1971, provides for  
17 directors to be elected or appointed and to serve for  
18 the term and in the manner provided by Chapter 54,  
19 Water Code. Chapter 715, Acts of the 74th Legislature,  
20 Regular Session, 1995, repealed the relevant  
21 provisions of Chapter 54 and enacted similar  
22 provisions in Chapter 49, Water Code, including  
23 Section 49.103, which governs the terms of office and  
24 manner of election of directors of a municipal utility  
25 district that is required by law to elect its  
26 directors. The revised law omits any reference to  
27 Chapter 49, Water Code, because Chapter 49 applies to  
28 the district under Sections 49.001 and 49.002 of that  
29 chapter. The revised law also omits "appointed"  
30 because it is clear from the context of Section 6 that  
31 the reference applies only to directors appointed to  
32 fill vacancies as provided by Chapter 49, Water Code.  
33 The omitted law reads:

34 Sec. 6. . . . [Succeeding directors  
35 shall be elected or] appointed and shall  
36 serve for the term and in the manner  
37 provided by Chapter 54, Title 4, Water Code,  
38 for directors first elected.

39 Revised Law

40 Sec. 8393.052. BOARD VACANCY. (a) Except as provided by

1 Subsection (b), a vacancy in the office of director shall be filled  
2 in the manner provided by Section 49.105, Water Code.

3 (b) The Texas Commission on Environmental Quality shall  
4 appoint directors to fill all of the vacancies on the board whenever  
5 the number of qualified directors is fewer than three. (Acts 62nd  
6 Leg., R.S., Ch. 247, Sec. 6 (part); New.)

7 Source Law

8 Sec. 6. . . . [Should any of the above named  
9 directors fail to qualify for any reason, the  
10 remaining named directors shall appoint someone to  
11 fill such vacancy or vacancies;] provided, however,  
12 that if at any time the number of qualified directors  
13 shall be less than three because of the failure or  
14 refusal of one or more directors to qualify or serve or  
15 because of his or their death or incapacitation, or for  
16 any such other reason, the Texas Water Rights  
17 Commission shall appoint the necessary number of  
18 directors to fill all vacancies on the board. . . .

19 Revisor's Note

20 (1) Section 6, Chapter 247, Acts of the 62nd  
21 Legislature, Regular Session, 1971, governs the manner  
22 in which multiple board vacancies are filled. Section  
23 49.105, Water Code, governs the manner of filling a  
24 vacancy in the office of director of certain  
25 districts, including a municipal utility district.  
26 Chapter 49, Water Code, applies to the district under  
27 Sections 49.001 and 49.002 of that chapter. For that  
28 reason and for the convenience of the reader, the  
29 revised law adds a reference to Section 49.105.

30 (2) Section 6, Chapter 247, Acts of the 62nd  
31 Legislature, Regular Session, 1971, refers to a  
32 vacancy in the office of director "because of the  
33 failure or refusal of one or more directors to qualify  
34 or serve or because of his or their death or  
35 incapacitation, or for any such other reason." The  
36 revised law omits the quoted language because it  
37 merely describes every manner in which a board vacancy  
38 may occur without limiting in any way the duty to fill  
39 the vacancy.

1           (3) Section 6, Chapter 247, Acts of the 62nd  
2           Legislature, Regular Session, 1971, refers to the  
3           "Texas Water Rights Commission." The revised law  
4           substitutes "Texas Commission on Environmental  
5           Quality" for "Texas Water Rights Commission" to  
6           reflect a change in the agency's name. In 1977,  
7           Section 9, Chapter 870, Acts of the 65th Legislature,  
8           Regular Session, abolished the Texas Water Rights  
9           Commission and created the Texas Water Commission.  
10          The name of the Texas Water Commission was changed to  
11          the Texas Natural Resource Conservation Commission by  
12          Section 1.085, Chapter 3, Acts of the 72nd  
13          Legislature, 1st Called Session, 1991. The name of the  
14          Texas Natural Resource Conservation Commission was  
15          changed to the Texas Commission on Environmental  
16          Quality by Section 18.01, Chapter 965, Acts of the 77th  
17          Legislature, Regular Session, 2001. The revised law  
18          is drafted accordingly.

19          [Sections 8393.053-8393.100 reserved for expansion]

20                               SUBCHAPTER C. POWERS AND DUTIES

21                                       Revised Law

22          Sec. 8393.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
23          district has the rights, powers, privileges, and functions  
24          conferred by general law applicable to a municipal utility  
25          district, including Chapters 49 and 54, Water Code. (Acts 62nd  
26          Leg., R.S., Ch. 247, Sec. 5 (part); New.)

27                                       Source Law

28          Sec. 5. The district is hereby vested with, and  
29          shall have and exercise, all of the rights, powers,  
30          privileges, authority and functions conferred by the  
31          general laws of this state applicable to municipal  
32          utility districts, including without limitation those  
33          conferred by Chapter 54, Title 4, Water Code, but  
34          . . . .

35                                       Revisor's Note

36          (1) Section 5, Chapter 247, Acts of the 62nd  
37          Legislature, Regular Session, 1971, provides that the

1 district "is hereby vested with, and shall have and  
2 exercise" certain powers. The revised law substitutes  
3 "has" for the quoted language because, in context, the  
4 terms are synonymous and "has" is more commonly used.

5 (2) Section 5, Chapter 247, Acts of the 62nd  
6 Legislature, Regular Session, 1971, refers to the  
7 "rights, powers, privileges, [and] authority" of the  
8 district. The revised law omits the reference to  
9 "authority" because, in context, "authority" is  
10 included in the meaning of "rights, powers, [and]  
11 privileges."

12 (3) Section 5, Chapter 247, Acts of the 62nd  
13 Legislature, Regular Session, 1971, grants the  
14 district certain powers, "including without  
15 limitation those conferred by Chapter 54, Title 4,  
16 Water Code." The revised law omits "without  
17 limitation" because Section 311.005(13), Government  
18 Code (Code Construction Act), provides that "includes"  
19 and "including" are terms of enlargement and not of  
20 limitation and do not create a presumption that  
21 components not expressed are excluded.

22 (4) Section 5, Chapter 247, Acts of the 62nd  
23 Legislature, Regular Session, 1971, refers to Chapter  
24 54, Water Code. For the reader's convenience, the  
25 revised law adds a reference to Chapter 49, Water Code,  
26 because Chapter 715, Acts of the 74th Legislature,  
27 Regular Session, 1995, repealed many provisions of  
28 Chapter 54 and enacted similar provisions in Chapter  
29 49, Water Code, which applies to the district under  
30 Sections 49.001 and 49.002 of that chapter.

31 (5) Section 5, Chapter 247, Acts of the 62nd  
32 Legislature, Regular Session, 1971, provides that the  
33 act prevails over general law in case of a conflict or  
34 other inconsistency and that all general laws

1 applicable to municipal utility districts not in  
2 conflict or inconsistent with the provisions of the  
3 act are adopted and incorporated by reference. The  
4 revised law omits the portion of the provision  
5 relating to the act prevailing over general law  
6 because it duplicates in substance Section 311.026(b),  
7 Government Code (Code Construction Act). The revised  
8 law omits the portion of the provision relating to  
9 adoption and incorporation of general laws because  
10 Section 5 of Chapter 247 (revised as this section)  
11 already provides that those laws apply to the  
12 district, and it is unnecessary to repeat that  
13 authority. The omitted law reads:

14           Sec. 5. . . . if any provision of  
15 such general laws shall be in conflict or  
16 inconsistent with the provisions of this  
17 Act, the provisions of this Act shall  
18 prevail. All such general laws applicable  
19 to municipal utility districts not in  
20 conflict or inconsistent with the  
21 provisions of this Act are hereby adopted  
22 and incorporated by reference with the same  
23 effect as if copied in full in this Act.

24                           Revisor's Note  
25                           (End of Chapter)

26           (1) Section 7, Chapter 247, Acts of the 62nd  
27 Legislature, Regular Session, 1971, contains  
28 legislative findings relating to the performance of  
29 the requirements of Section 59(d), Article XVI, Texas  
30 Constitution, and to the authority of the legislature  
31 to enact that chapter. The revised law omits the  
32 provision as executed. The omitted law reads:

33           Sec. 7. The Legislature specifically  
34 finds and declares that the requirements of  
35 Article XVI, Section 59(d) of the  
36 Constitution of Texas have been performed  
37 and accomplished in due course and time and  
38 order, and that the Legislature has the  
39 power and authority to enact this Act.

40           (2) Section 8, Chapter 247, Acts of the 62nd  
41 Legislature, Regular Session, 1971, provides that the  
42 act is severable. The revised law omits that provision

1 because it duplicates Section 311.032, Government Code  
2 (Code Construction Act), which provides that a  
3 provision of a statute is severable from each other  
4 provision of the statute that can be given effect. The  
5 omitted law reads:

6           Sec. 8. If any word, phrase, clause,  
7 paragraph, sentence, part, portion, or  
8 provision of this Act or the application  
9 thereof to any persons or circumstances  
10 shall be held to be invalid or  
11 unconstitutional, the remainder of the Act  
12 shall nevertheless be valid and the  
13 Legislature hereby declares that this Act  
14 would have been enacted without such  
15 invalid or unconstitutional word, phrase,  
16 clause, paragraph, sentence, part, portion,  
17 or provision.

18           CHAPTER 8394. PINE VILLAGE PUBLIC UTILITY DISTRICT

19                   SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 8394.001. DEFINITIONS . . . . . 782  
21 Sec. 8394.002. NATURE OF DISTRICT . . . . . 783  
22 Sec. 8394.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 784  
23 Sec. 8394.004. DISTRICT TERRITORY . . . . . 785

24           [Sections 8394.005-8394.050 reserved for expansion]

25                   SUBCHAPTER B. BOARD OF DIRECTORS

26 Sec. 8394.051. COMPOSITION OF BOARD . . . . . 787  
27 Sec. 8394.052. BOARD VACANCY . . . . . 788

28           [Sections 8394.053-8394.100 reserved for expansion]

29                   SUBCHAPTER C. POWERS AND DUTIES

30 Sec. 8394.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 790

31           CHAPTER 8394. PINE VILLAGE PUBLIC UTILITY DISTRICT

32                   SUBCHAPTER A. GENERAL PROVISIONS

33                                   Revised Law

34           Sec. 8394.001. DEFINITIONS. In this chapter:

- 35                   (1) "Board" means the district's board of directors.  
36                   (2) "Director" means a member of the board.  
37                   (3) "District" means the Pine Village Public Utility

38 District. (Acts 62nd Leg., R.S., Ch. 650, Sec. 1 (part); New.)

39                                   Source Law

40           Sec. 1. . . . [a . . . district] . . . to be

1 known as "Pine Village Public Utility District,"  
2 hereinafter called the "district," . . . .

3 Revisor's Note

4 The definitions of "board" and "director" are  
5 added to the revised law for drafting convenience and  
6 to eliminate frequent, unnecessary repetition of the  
7 substance of the definitions.

8 Revised Law

9 Sec. 8394.002. NATURE OF DISTRICT. The district is a  
10 conservation and reclamation district in Harris County created  
11 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
12 Leg., R.S., Ch. 650, Sec. 1 (part).)

13 Source Law

14 Sec. 1. . . . there is hereby created and  
15 established, under and pursuant to the provisions of  
16 Article XVI, Section 59 of the Constitution of Texas, a  
17 conservation and reclamation district in Harris  
18 County, Texas, . . . which shall be a governmental  
19 agency and a body politic and corporate. . . .

20 Revisor's Note

21 (1) Section 1, Chapter 650, Acts of the 62nd  
22 Legislature, Regular Session, 1971, provides that the  
23 district is "created and established." The revised  
24 law omits "established" because the meaning of that  
25 word is included in the meaning of "created."

26 (2) Section 1, Chapter 650, Acts of the 62nd  
27 Legislature, Regular Session, 1971, provides that the  
28 district is created notwithstanding certain laws  
29 relating to consent. The revised law omits that  
30 provision as executed because the district has been  
31 created. The omitted law reads:

32 Sec. 1. Notwithstanding provisions  
33 of the general laws relating to consent by  
34 political subdivisions for the creation of  
35 conservation and reclamation districts,  
36 [there is hereby created . . . a  
37 conservation and reclamation district]  
38 . . . .

39 (3) Section 1, Chapter 650, Acts of the 62nd  
40 Legislature, Regular Session, 1971, refers to the  
41 district as "a governmental agency and a body politic

1 and corporate." The revised law omits the quoted  
2 language because it duplicates a portion of Section  
3 59(b), Article XVI, Texas Constitution, which provides  
4 that a conservation and reclamation district is a  
5 governmental agency and a body politic and corporate.

6 Revised Law

7 Sec. 8394.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
8 The district is created to serve a public use and benefit.

9 (b) All land and other property included in the boundaries  
10 of the district will benefit from the works and projects  
11 accomplished by the district under the powers conferred by Section  
12 59, Article XVI, Texas Constitution.

13 (c) The creation of the district is essential to accomplish  
14 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
15 62nd Leg., R.S., Ch. 650, Secs. 1 (part), 3.)

16 Source Law

17 Sec. 1. . . . The creation and establishment of  
18 the district is hereby declared to be essential to the  
19 accomplishment of the purposes of Article XVI, Section  
20 59 of the Constitution of Texas.

21 Sec. 3. It is determined and found that all of  
22 the land and other property included within the area  
23 and boundaries of the district will be benefited by the  
24 works and project which are to be accomplished by the  
25 district pursuant to the powers conferred by the  
26 provisions of Article XVI, Section 59 of the  
27 Constitution of Texas, and that said district is  
28 created to serve a public use and benefit.

29 Revisor's Note

30 (1) Section 1, Chapter 650, Acts of the 62nd  
31 Legislature, Regular Session, 1971, provides that the  
32 "creation and establishment" of the district are  
33 essential to accomplish the purposes of Section 59,  
34 Article XVI, Texas Constitution. The revised law  
35 omits "establishment" because its meaning is included  
36 in the meaning of "creation."

37 (2) Section 3, Chapter 650, Acts of the 62nd  
38 Legislature, Regular Session, 1971, refers to land and  
39 other property included within the "area and

1 boundaries of the district." The revised law omits the  
2 reference to "area" because, in context, "area" is  
3 included in the meaning of "boundaries."

4 Revised Law

5 Sec. 8394.004. DISTRICT TERRITORY. (a) The district is  
6 composed of the territory described by Section 4, Chapter 650, Acts  
7 of the 62nd Legislature, Regular Session, 1971, as that territory  
8 may have been modified under:

9 (1) Subchapter H, Chapter 54, Water Code;

10 (2) Subchapter J, Chapter 49, Water Code; or

11 (3) other law.

12 (b) The boundaries and field notes of the district form a  
13 closure. A mistake in copying the field notes in the legislative  
14 process or another mistake in the field notes does not affect:

15 (1) the district's organization, existence, or  
16 validity;

17 (2) the district's right to issue any type of bond for  
18 a purpose for which the district is created or to pay the principal  
19 of and interest on the bond;

20 (3) the district's right to impose a tax; or

21 (4) the legality or operation of the district or its  
22 governing body. (Acts 62nd Leg., R.S., Ch. 650, Sec. 2; New.)

23 Source Law

24 Sec. 2. It is determined and found that the  
25 boundaries and field notes of the district form a  
26 closure. If any mistake is made in copying the field  
27 notes in the legislative process or otherwise a  
28 mistake is made in the field notes, it shall in no way  
29 affect the organization, existence and validity of the  
30 district, or the right of the district to issue any  
31 type of bonds or refunding bonds for the purposes for  
32 which the district is created or to pay the principal  
33 and interest thereon, or the right to assess, levy and  
34 collect taxes, or in any other manner affect the  
35 legality or operation of the district or its governing  
36 body.

37 Revisor's Note

38 (1) The revision of the law governing the  
39 district does not revise the statutory language  
40 describing the territory of the district to avoid the

1           lengthy recitation of the description and because that  
2           description may not be accurate on the effective date  
3           of the revision or at the time of a later reading. For  
4           the reader's convenience, the revised law includes  
5           references to the statutory description of the  
6           district's territory and to the authority to change the  
7           district's territory under Subchapter H, Chapter 54,  
8           Water Code, applicable to the district under Section  
9           5, Chapter 650, Acts of the 62nd Legislature, Regular  
10          Session, 1971 (revised in this chapter as Section  
11          8394.101), and under Subchapter J, Chapter 49, Water  
12          Code, applicable to the district under Sections 49.001  
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 a law to change the district's  
16          territory.

17                 (2) Section 2, Chapter 650, Acts of the 62nd  
18          Legislature, Regular Session, 1971, provides that a  
19          mistake in the description of the district boundaries  
20          does not affect the right of the district to issue "any  
21          type of bonds or refunding bonds." The revised law  
22          omits the reference to "refunding bonds" because  
23          refunding bonds are included in the meaning of "any  
24          type of bonds."

25                 (3) Section 2, Chapter 650, Acts of the 62nd  
26          Legislature, Regular Session, 1971, refers to the  
27          district's authority to "assess, levy and collect"  
28          taxes. The revised law substitutes "impose" for  
29          "assess, levy and collect" because "impose" is the  
30          term generally used in Title 1, Tax Code, and includes  
31          the assessment, levy, and collection of a tax.

32                 [Sections 8394.005-8394.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 8394.051. COMPOSITION OF BOARD. The board is composed  
4 of five elected directors. (Acts 62nd Leg., R.S., Ch. 650, Sec. 6  
5 (part).)

6 Source Law

7 Sec. 6. . . . Succeeding directors shall be  
8 elected or . . . .

9 Revisor's Note

10 (1) Section 6, Chapter 650, Acts of the 62nd  
11 Legislature, Regular Session, 1971, refers to the  
12 initial board of directors and that board's vacancy  
13 procedures. The revised law omits the language as  
14 executed. The omitted law reads:

15 Sec. 6. Immediately after this Act  
16 becomes effective, the following named  
17 persons shall be the directors of the  
18 district and shall constitute the board of  
19 directors of the district:

20 Ben Blum  
21 Robert I. White  
22 Keith Brown  
23 Gary Atkins  
24 Al Fox

25 Said persons shall qualify to serve as  
26 directors prior to the first meeting of the  
27 board of directors. Should any of the above  
28 named directors fail to qualify for any  
29 reason, the remaining named directors shall  
30 appoint someone to fill such vacancy or  
31 vacancies; . . . . The directors above  
32 named or their duly appointed and qualified  
33 successor or successors shall serve until  
34 the second Saturday in January, 1973. . . .

35 (2) Section 6, Chapter 650, Acts of the 62nd  
36 Legislature, Regular Session, 1971, refers to  
37 "[s]ucceeding directors" to distinguish the  
38 succeeding directors from the initial directors named  
39 in that section. The revised law substitutes "five"  
40 for "succeeding" to conform to the number of directors  
41 listed in Section 6 (establishing the initial board).

42 (3) Section 6, Chapter 650, Acts of the 62nd  
43 Legislature, Regular Session, 1971, provides for  
44 directors to be elected or appointed and to serve for



1 Revisor's Note

2 (1) Section 6, Chapter 650, Acts of the 62nd  
3 Legislature, Regular Session, 1971, governs the manner  
4 in which multiple board vacancies are filled. Section  
5 49.105, Water Code, governs the manner of filling a  
6 vacancy in the office of director of certain  
7 districts, including a municipal utility district.  
8 Chapter 49, Water Code, applies to the district under  
9 Sections 49.001 and 49.002 of that chapter. For that  
10 reason and for the convenience of the reader, the  
11 revised law adds a reference to Section 49.105.

12 (2) Section 6, Chapter 650, Acts of the 62nd  
13 Legislature, Regular Session, 1971, refers to a  
14 vacancy in the office of director "because of the  
15 failure or refusal of one or more directors to qualify  
16 or serve or because of his or their death or  
17 incapacitation, or for any such other reason." The  
18 revised law omits the quoted language because it  
19 merely describes every manner in which a board vacancy  
20 may occur without limiting in any way the duty to fill  
21 the vacancy.

22 (3) Section 6, Chapter 650, Acts of the 62nd  
23 Legislature, Regular Session, 1971, refers to the  
24 "Texas Water Rights Commission." The revised law  
25 substitutes "Texas Commission on Environmental  
26 Quality" for "Texas Water Rights Commission" to  
27 reflect a change in the agency's name. In 1977,  
28 Section 9, Chapter 870, Acts of the 65th Legislature,  
29 Regular Session, abolished the Texas Water Rights  
30 Commission and created the Texas Water Commission.  
31 The name of the Texas Water Commission was changed to  
32 the Texas Natural Resource Conservation Commission by  
33 Section 1.085, Chapter 3, Acts of the 72nd  
34 Legislature, 1st Called Session, 1991. The name of the

1 Texas Natural Resource Conservation Commission was  
2 changed to the Texas Commission on Environmental  
3 Quality by Section 18.01, Chapter 965, Acts of the 77th  
4 Legislature, Regular Session, 2001. The revised law  
5 is drafted accordingly.

6 [Sections 8394.053-8394.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Revised Law

9 Sec. 8394.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
10 district has the rights, powers, privileges, and functions  
11 conferred by general law applicable to a municipal utility  
12 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
13 Leg., R.S., Ch. 650, Sec. 5 (part); New.)

14 Source Law

15 Sec. 5. The district is hereby vested with, and  
16 shall have and exercise, all of the rights, powers,  
17 privileges, authority and functions conferred by the  
18 general laws of this state applicable to municipal  
19 utility districts, including without limitation those  
20 conferred by Chapter 54, Title 4, Water Code, but  
21 . . . .

22 Revisor's Note

23 (1) Section 5, Chapter 650, Acts of the 62nd  
24 Legislature, Regular Session, 1971, provides that the  
25 district "is hereby vested with, and shall have and  
26 exercise" certain powers. The revised law substitutes  
27 "has" for the quoted language because, in context, the  
28 terms are synonymous and "has" is more commonly used.

29 (2) Section 5, Chapter 650, Acts of the 62nd  
30 Legislature, Regular Session, 1971, refers to the  
31 "rights, powers, privileges, [and] authority" of the  
32 district. The revised law omits the reference to  
33 "authority" because, in context, "authority" is  
34 included in the meaning of "rights, powers, [and]  
35 privileges."

36 (3) Section 5, Chapter 650, Acts of the 62nd  
37 Legislature, Regular Session, 1971, grants the

1 district certain powers, "including without  
2 limitation those conferred by Chapter 54, Title 4,  
3 Water Code." The revised law omits "without  
4 limitation" because Section 311.005(13), Government  
5 Code (Code Construction Act), provides that "includes"  
6 and "including" are terms of enlargement and not of  
7 limitation and do not create a presumption that  
8 components not expressed are excluded.

9 (4) Section 5, Chapter 650, Acts of the 62nd  
10 Legislature, Regular Session, 1971, refers to Chapter  
11 54, Water Code. For the reader's convenience, the  
12 revised law adds a reference to Chapter 49, Water Code,  
13 because Chapter 715, Acts of the 74th Legislature,  
14 Regular Session, 1995, repealed many provisions of  
15 Chapter 54 and enacted similar provisions in Chapter  
16 49, Water Code, which applies to the district under  
17 Sections 49.001 and 49.002 of that chapter.

18 (5) Section 5, Chapter 650, Acts of the 62nd  
19 Legislature, Regular Session, 1971, provides that the  
20 act prevails over general law in case of a conflict or  
21 other inconsistency and that all general laws  
22 applicable to municipal utility districts not in  
23 conflict or inconsistent with the provisions of the  
24 act are adopted and incorporated by reference. The  
25 revised law omits the portion of the provision  
26 relating to the act prevailing over general law  
27 because it duplicates in substance Section 311.026(b),  
28 Government Code (Code Construction Act). The revised  
29 law omits the portion of the provision relating to  
30 adoption and incorporation of general laws because  
31 Section 5 of Chapter 650 (revised as this section)  
32 already provides that those laws apply to the  
33 district, and it is unnecessary to repeat that  
34 authority. The omitted law reads:

1           Sec. 5. . . . if any provision of  
2 such general laws shall be in conflict or  
3 inconsistent with the provisions of this  
4 Act, the provisions of this Act shall  
5 prevail. All such general laws applicable  
6 to municipal utility districts not in  
7 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           (1) Section 7, Chapter 650, Acts of the 62nd  
14 Legislature, Regular Session, 1971, contains  
15 legislative findings relating to the performance of  
16 the requirements of Section 59(d), Article XVI, Texas  
17 Constitution, and to the authority of the legislature  
18 to enact that chapter. The revised law omits the  
19 provision as executed. The omitted law reads:

20           Sec. 7. The Legislature specifically  
21 finds and declares that the requirements of  
22 Article XVI, Section 59(d) of the  
23 Constitution of Texas have been performed  
24 and accomplished in due course and time and  
25 order, and that the Legislature has the  
26 power and authority to enact this Act.

27           (2) Section 8, Chapter 650, Acts of the 62nd  
28 Legislature, Regular Session, 1971, provides that the  
29 act is severable. The revised law omits that provision  
30 because it duplicates Section 311.032, Government Code  
31 (Code Construction Act), which provides that a  
32 provision of a statute is severable from each other  
33 provision of the statute that can be given effect. The  
34 omitted law reads:

35           Sec. 8. If any word, phrase, clause,  
36 paragraph, sentence, part, portion or  
37 provision of this Act or the application  
38 thereof to any persons or circumstances  
39 shall be held to be invalid or  
40 unconstitutional, the remainder of the Act  
41 shall nevertheless be valid and the  
42 Legislature hereby declares that this Act  
43 would have been enacted without such  
44 invalid or unconstitutional word, phrase,  
45 clause, paragraph, sentence, part, portion  
46 or provision.

1 CHAPTER 8395. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 3

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8395.001. DEFINITIONS . . . . . 793

4 Sec. 8395.002. NATURE OF DISTRICT . . . . . 794

5 Sec. 8395.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 795

6 Sec. 8395.004. DISTRICT TERRITORY . . . . . 795

7 Sec. 8395.005. PROHIBITION AGAINST IMPAIRMENT OF

8 DISTRICT . . . . . 797

9 [Sections 8395.006-8395.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 8395.051. COMPOSITION OF BOARD; TERMS . . . . . 797

12 [Sections 8395.052-8395.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 8395.101. MUNICIPAL UTILITY DISTRICT POWERS AND

15 DUTIES . . . . . 801

16 [Sections 8395.102-8395.150 reserved for expansion]

17 SUBCHAPTER D. MUNICIPAL ANNEXATION

18 Sec. 8395.151. ANNEXATION BY MUNICIPALITY . . . . . 803

19 Sec. 8395.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION . . . 803

20 CHAPTER 8395. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 3

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Revised Law

23 Sec. 8395.001. DEFINITIONS. In this chapter:

24 (1) "Board" means the district's board of directors.

25 (2) "Commission" means the Texas Commission on

26 Environmental Quality.

27 (3) "Director" means a member of the board.

28 (4) "District" means the Travis County Municipal

29 Utility District No. 3. (Acts 74th Leg., R.S., Ch. 791, Sec. 1.02;

30 New.)

31 Source Law

32 Sec. 1.02. In this article:

33 (1) "Commission" means the Texas Natural

34 Resource Conservation Commission.

35 (2) "District" means Travis County

36 Municipal Utility District No. 3.

1 Revisor's Note

2 (1) Section 1.02(1), Chapter 791, Acts of the  
3 74th Legislature, Regular Session, 1995, defines  
4 "commission" as the "Texas Natural Resource  
5 Conservation Commission." The name of the Texas  
6 Natural Resource Conservation Commission was changed  
7 to the Texas Commission on Environmental Quality by  
8 Section 18.01, Chapter 965, Acts of the 77th  
9 Legislature, Regular Session, 2001. The revised law  
10 is drafted accordingly.

11 (2) The definitions of "board" and "director"  
12 are added to the revised law for drafting convenience.

13 Revised Law

14 Sec. 8395.002. NATURE OF DISTRICT. The district is a  
15 conservation and reclamation district in Travis County created  
16 under Section 59, Article XVI, Texas Constitution. (Acts 74th  
17 Leg., R.S., Ch. 791, Secs. 1.01(a) (part), (b) (part).)

18 Source Law

19 Sec. 1.01. (a) A conservation and reclamation  
20 district, to be known as Travis County Municipal  
21 Utility District No. 3, is created in Travis County,  
22 . . . .  
23 (b) The district is created under and . . .  
24 Section 59, Article XVI, Texas Constitution.

25 Revisor's Note

26 (1) Section 1.01(a), Chapter 791, Acts of the  
27 74th Legislature, Regular Session, 1995, refers to a  
28 confirmation election. Because the confirmation  
29 election has already been held, the revised law omits  
30 the provision as executed. The omitted law reads:

31 (a) . . . subject to approval at a  
32 confirmation election under Section 1.09 of  
33 this article. . . .

34 (2) Section 1.01(a), Chapter 791, Acts of the  
35 74th Legislature, Regular Session, 1995, provides that  
36 the district is a governmental agency and a body  
37 politic and corporate. The revised law omits the  
38 provision because it duplicates a portion of Section

1 59(b), Article XVI, Texas Constitution, which provides  
2 that a conservation and reclamation district is a  
3 governmental agency and a body politic and corporate.  
4 The omitted law reads:

5 (a) . . . The district is a  
6 governmental agency and a body politic and  
7 corporate.

8 Revised Law

9 Sec. 8395.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
10 The district is created to serve a public use and benefit.

11 (b) All land and other property included in the district  
12 will benefit from the works and projects accomplished by the  
13 district under the powers conferred by Section 59, Article XVI,  
14 Texas Constitution.

15 (c) The creation of the district is essential to accomplish  
16 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
17 74th Leg., R.S., Ch. 791, Secs. 1.01(b) (part), 1.05.)

18 Source Law

19 [Sec. 1.01]

20 (b) [The district is created under and] is  
21 essential to accomplish the purposes of Section 59,  
22 Article XVI, Texas Constitution.

23 Sec. 1.05. All of the land and other property  
24 included within the boundaries of the district will be  
25 benefited by the works and projects that are to be  
26 accomplished by the district under the powers  
27 conferred by Section 59, Article XVI, Texas  
28 Constitution. The district is created to serve a  
29 public use and benefit.

30 Revised Law

31 Sec. 8395.004. DISTRICT TERRITORY. (a) The district is  
32 composed of the territory described by Section 1.03, Chapter 791,  
33 Acts of the 74th Legislature, Regular Session, 1995, as that  
34 territory may have been modified under:

- 35 (1) Subchapter H, Chapter 54, Water Code;  
36 (2) Subchapter J, Chapter 49, Water Code; or  
37 (3) other law.

38 (b) The boundaries and field notes of the district form a  
39 closure. A mistake in the field notes or in copying the field notes  
40 in the legislative process does not affect:

1 (1) the district's organization, existence, or  
2 validity;

3 (2) the district's right to impose a tax; or

4 (3) the legality or operation of the district or its  
5 governing body. (Acts 74th Leg., R.S., Ch. 791, Sec. 1.04; New.)

6 Source Law

7 Sec. 1.04. The legislature finds that the  
8 boundaries and field notes of the district form a  
9 closure. A mistake in the field notes or in copying the  
10 field notes in the legislative process does not affect  
11 the organization, existence, or validity of the  
12 district, the right of the district to levy and collect  
13 taxes, or the legality or operation of the district or  
14 its governing body.

15 Revisor's Note

16 (1) The revision of the law governing the  
17 district does not revise the statutory language  
18 describing the territory of the district to avoid the  
19 lengthy recitation of the description and because that  
20 description may not be accurate on the effective date  
21 of the revision or at the time of a later reading. For  
22 the reader's convenience, the revised law includes  
23 references to the statutory description of the  
24 district's territory and to the authority to change the  
25 district's territory under Subchapter H, Chapter 54,  
26 Water Code, applicable to municipal utility districts,  
27 and under Subchapter J, Chapter 49, Water Code,  
28 applicable to the district under Sections 49.001 and  
29 49.002 of that chapter. The revised law also includes  
30 a reference to the general authority of the  
31 legislature to enact a law to change the district's  
32 territory.

33 (2) Section 1.04, Chapter 791, Acts of the 74th  
34 Legislature, Regular Session, 1995, refers to the  
35 district's authority to "levy and collect" taxes. The  
36 revised law substitutes "impose" for "levy and  
37 collect" because "impose" is the term generally used  
38 in Title 1, Tax Code, and includes the levy and

1 collection of a tax.

2 Revised Law

3 Sec. 8395.005. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.

4 A municipality in whose extraterritorial jurisdiction the district  
5 is located may not take any action, including passing an ordinance  
6 or resolution, that:

7 (1) impairs the district's ability to exercise the  
8 district's powers under this chapter; or

9 (2) limits the district's ability to finance,  
10 construct, or operate the district's water, wastewater, or drainage  
11 systems. (Acts 74th Leg., R.S., Ch. 791, Sec. 1.11.)

12 Source Law

13 Sec. 1.11. No municipality in whose  
14 extraterritorial jurisdiction the district is located  
15 shall pass any ordinances or resolutions or otherwise  
16 take any actions which impair the ability of the  
17 district to exercise its powers under this article or  
18 which would limit the ability of the district to  
19 finance, construct, or operate its water, wastewater,  
20 or drainage systems.

21 [Sections 8395.006-8395.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Revised Law

24 Sec. 8395.051. COMPOSITION OF BOARD; TERMS. (a) The  
25 district is governed by a board of five directors.

26 (b) Directors serve staggered four-year terms. (Acts 74th  
27 Leg., R.S., Ch. 791, Secs. 1.07(a), (d).)

28 Source Law

29 Sec. 1.07. (a) The district is governed by a  
30 board of five directors.

31 (d) Permanent directors other than initial  
32 permanent directors serve staggered four-year terms.

33 Revisor's Note

34 (1) Section 1.07(d), Chapter 791, Acts of the  
35 74th Legislature, Regular Session, 1995, refers to  
36 "[p]ermanent directors other than initial permanent  
37 directors." The revised law omits "permanent" and  
38 "other than initial permanent directors" as  
39 unnecessary because, as used in the revised law,

1 "director" refers to a permanent director other than  
2 an initial permanent director.

3 (2) Sections 1.07(b) and (c), Chapter 791, Acts  
4 of the 74th Legislature, Regular Session, 1995, refer  
5 to the temporary directors and the initial permanent  
6 directors. The revised law omits as executed the  
7 references to temporary directors and initial  
8 permanent directors. The omitted law reads:

9 (b) Temporary directors serve until  
10 initial permanent directors are elected  
11 under Section 1.09 of this article.

12 (c) Initial permanent directors  
13 serve until permanent directors are elected  
14 under Section 1.10 of this article.

15 (3) Section 1.07(e), Chapter 791, Acts of the  
16 74th Legislature, Regular Session, 1995, requires a  
17 director to qualify to serve in the manner provided by  
18 Section 54.025 or 54.116, Water Code. The revised law  
19 omits the reference to Section 54.025, Water Code, as  
20 executed, because that section refers to the  
21 qualification of a temporary director. The revised law  
22 omits the reference to Section 54.116, Water Code,  
23 because that section was repealed by Chapter 715, Acts  
24 of the 74th Legislature, Regular Session, 1995.  
25 Chapter 715 also enacted Section 49.055, Water Code,  
26 which contains the qualification procedures for a  
27 director of a municipal utility district. A reference  
28 to Section 49.055, Water Code, is unnecessary because  
29 that section applies to the district under Sections  
30 49.001 and 49.002, Water Code. The omitted law reads:

31 (e) Each director must qualify to  
32 serve as director in the manner provided by  
33 Section 54.025 or 54.116, Water Code, as  
34 appropriate.

35 (4) Section 1.07(f), Chapter 791, Acts of the  
36 74th Legislature, Regular Session, 1995, provides that  
37 a director serves until a successor has qualified. The  
38 revised law omits the provision as unnecessary because

1 it duplicates Section 17, Article XVI, Texas  
2 Constitution. That section requires an officer in  
3 this state to continue to perform the officer's duties  
4 until the successor has qualified. The omitted law  
5 reads:

6 (f) A director serves until the  
7 director's successor has qualified.

8 Revisor's Note  
9 (End of Subchapter)

10 (1) Section 1.08, Chapter 791, Acts of the 74th  
11 Legislature, Regular Session, 1995, names and provides  
12 for the qualification of and for filling vacancies on  
13 the temporary board of directors. The revised law  
14 omits that section as executed. The omitted law reads:

15 Sec. 1.08. (a) The temporary board  
16 of directors is composed of:

- 17 (1) W. Scott Norman, Jr.
- 18 (2) Clay Morgan
- 19 (3) Doug Fike
- 20 (4) Marshall Kuykendall, Jr.
- 21 (5) Bill Wendlendt

22 (b) If a temporary director fails to  
23 qualify for office, the temporary directors  
24 who have qualified shall appoint a person to  
25 fill the vacancy. If at any time there are  
26 fewer than three qualified temporary  
27 directors, the commission shall appoint the  
28 necessary number of persons to fill all  
29 vacancies on the board.

30 (2) Section 1.09, Chapter 791, Acts of the 74th  
31 Legislature, Regular Session, 1995, provides for the  
32 "temporary" board to conduct an election for the  
33 district's initial elected board and to confirm the  
34 district's creation. The revised law omits the section  
35 as executed. The omitted law reads:

36 Sec. 1.09. (a) The temporary board  
37 of directors shall call and hold an election  
38 to confirm establishment of the district  
39 and to elect five initial directors as  
40 provided by Chapter 54, Water Code.

41 (b) Subsection (a), Section 41.001,  
42 Election Code, does not apply to a  
43 confirmation election held as provided by  
44 this section.

45 (3) Section 1.10, Chapter 791, Acts of the 74th  
46 Legislature, Regular Session, 1995, provides that on

1 the first Saturday in May of the fourth year after the  
2 district's confirmation election, the district shall  
3 hold a directors' election to elect directors with  
4 staggered terms and shall hold subsequent elections  
5 for directors every second year afterwards on the same  
6 date. The district was confirmed in an election held  
7 in November 1995, so the provisions in Section 1.10, if  
8 effective, would result in biennial elections  
9 beginning on the first Saturday in May 1999.

10 The revised law omits those provisions as  
11 superseded by the 1995 enactment of Section 49.103,  
12 Water Code, applicable to the district under Sections  
13 49.001, 49.002, and 49.103(e), Water Code. Section  
14 49.103(b), Water Code, requires the election of the  
15 appropriate number of directors to be held on the  
16 uniform election date in May of even-numbered years.  
17 Section 49.103(e), Water Code, provides that the  
18 provisions of Section 49.103(b) take precedence over  
19 all prior statutory enactments. Section 49.103, Water  
20 Code, was enacted by Chapter 715, Acts of the 74th  
21 Legislature, Regular Session, 1995, the same session  
22 as the source law, Chapter 791. The date of enactment  
23 is the date on which the last legislative vote is taken  
24 on the bill enacting the statute. The last legislative  
25 vote on Chapter 715 was taken May 25, 1995. The last  
26 legislative vote on Chapter 791 was taken May 24, 1995.  
27 Accordingly, Section 49.103(b) prevails over Section  
28 1.10, Chapter 791, Acts of the 74th Legislature,  
29 Regular Session, 1995. In addition, Section 50(b) of  
30 Chapter 715, Acts of the 74th Legislature, Regular  
31 Session, 1995, expressly stated that Section  
32 49.103(b), Water Code, governed all elections held  
33 after December 31, 1995, and provided specific  
34 election dates necessary to implement the required

1 transition.

2 It should be noted that additional statutes  
3 enacted after 1995 may also have affected the date on  
4 which the district conducts directors' elections. For  
5 example, Section 41.0052(a), Election Code, as amended  
6 by Chapter 1318, Acts of the 82nd Legislature, Regular  
7 Session, 2011, permitted political subdivisions other  
8 than counties to change the date of elections to the  
9 November uniform election date.

10 The omitted law reads:

11 Sec. 1.10. On the first Saturday in  
12 May of the fourth year after the year in  
13 which the confirmation election is held, an  
14 election shall be held in the district for  
15 the election of two directors who shall each  
16 serve two-year terms and three directors  
17 who shall serve four-year terms.  
18 Thereafter, on the same date in each  
19 subsequent second year, the appropriate  
20 number of directors shall be elected to the  
21 board.

22 [Sections 8395.052-8395.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Revised Law

25 Sec. 8395.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
26 DUTIES. The district has the rights, powers, privileges,  
27 functions, and duties provided by general law applicable to a  
28 municipal utility district created under Section 59, Article XVI,  
29 Texas Constitution, including Chapters 49, 50, and 54, Water Code.  
30 (Acts 74th Leg., R.S., Ch. 791, Sec. 1.06(a) (part).)

31 Source Law

32 Sec. 1.06. (a) The district has all of the  
33 rights, powers, privileges, authority, functions, and  
34 duties provided by the general law of this state,  
35 including Chapters 50 and 54, Water Code, applicable  
36 to municipal utility districts created under Section  
37 59, Article XVI, Texas Constitution. . . .

38 Revisor's Note

39 (1) Section 1.06(a), Chapter 791, Acts of the  
40 74th Legislature, Regular Session, 1995, refers to the  
41 "rights, powers, privileges, [and] authority" of the  
42 district. The revised law omits "authority" because,

1 in context, "authority" is included in the meaning of  
2 "rights, powers, [and] privileges."

3 (2) Section 1.06(a), Chapter 791, Acts of the  
4 74th Legislature, Regular Session, 1995, refers to  
5 Chapters 50 and 54, Water Code. For the reader's  
6 convenience, the revised law adds a reference to  
7 Chapter 49, Water Code, because Chapter 715, Acts of  
8 the 74th Legislature, Regular Session, 1995, repealed  
9 most of the provisions of Chapter 50 and many  
10 provisions of Chapter 54 and enacted similar  
11 provisions in Chapter 49, Water Code. Chapter 49  
12 applies to municipal utility districts under Sections  
13 49.001 and 49.002, Water Code.

14 (3) Section 1.06(a), Chapter 791, Acts of the  
15 74th Legislature, Regular Session, 1995, provides that  
16 the article prevails over general law in case of a  
17 conflict or other inconsistency. The revised law  
18 omits the provision because it duplicates Section  
19 311.026, Government Code (Code Construction Act). The  
20 omitted law reads:

21 (a) . . . This article prevails over  
22 any provision of general law that is in  
23 conflict or inconsistent with this article.

24 (4) Section 1.06(b), Chapter 791, Acts of the  
25 74th Legislature, Regular Session, 1995, refers to the  
26 continuing supervision exercised by the "commission,"  
27 defined in Section 1.02, Chapter 791, Acts of the 74th  
28 Legislature, Regular Session, 1995, as the Texas  
29 Natural Resource Conservation Commission. The revised  
30 law omits the provision because the Texas Commission  
31 on Environmental Quality is the successor to the Texas  
32 Natural Resource Conservation Commission and  
33 therefore the provision duplicates, in substance, part  
34 of Section 12.081, Water Code, which is a general law  
35 that applies to the district. The name of the Texas

1 Natural Resource Conservation Commission was changed  
2 to the Texas Commission on Environmental Quality by  
3 Section 18.01, Chapter 965, Acts of the 77th  
4 Legislature, Regular Session, 2001. The omitted law  
5 reads:

6 (b) The rights, powers, privileges,  
7 authority, functions, and duties of the  
8 district are subject to the continuing  
9 right of supervision of the state to be  
10 exercised by and through the commission.

11 [Sections 8395.102-8395.150 reserved for expansion]

12 SUBCHAPTER D. MUNICIPAL ANNEXATION

13 Revised Law

14 Sec. 8395.151. ANNEXATION BY MUNICIPALITY. A municipality  
15 may annex the district on the earlier of:

16 (1) the installation of 90 percent of all works,  
17 improvements, facilities, plants, equipment, and appliances  
18 necessary and adequate to:

19 (A) provide service to the proposed development  
20 within the district;

21 (B) accomplish the purposes for which the  
22 district was created; and

23 (C) exercise the powers provided by general law  
24 and this chapter; or

25 (2) the 20th anniversary of the date the district was  
26 confirmed. (Acts 74th Leg., R.S., Ch. 791, Sec. 1.12.)

27 Source Law

28 Sec. 1.12. The district may be annexed by a  
29 municipality only after:

30 (1) the installation of 90 percent of all  
31 works, improvements, facilities, plants, equipment,  
32 and appliances necessary and adequate to:

33 (A) provide service to the proposed  
34 development within the district;

35 (B) accomplish the purposes for which  
36 the district was created; and

37 (C) exercise the powers provided by  
38 the general law of this state and this article; or

39 (2) the expiration of 20 years from the  
40 date the district was confirmed, whichever occurs  
41 first.

42 Revised Law

43 Sec. 8395.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION. If

1 a municipality in whose extraterritorial jurisdiction the district  
2 is located annexes the district for full or limited purposes and the  
3 annexation precludes or impairs the ability of the district to  
4 issue bonds, the municipality shall:

5 (1) simultaneously with the annexation, pay in cash to  
6 the landowner or developer of the district a sum equal to all actual  
7 costs and expenses incurred by the landowner or developer in  
8 connection with the district that:

9 (A) the district has agreed in writing to pay;  
10 and

11 (B) would otherwise have been eligible for  
12 reimbursement from bond proceeds under the rules and requirements  
13 of the commission as those rules and requirements exist on the date  
14 of annexation; and

15 (2) after the annexation, install all necessary water,  
16 wastewater, and drainage facilities to serve full buildout of  
17 development within the district. (Acts 74th Leg., R.S., Ch. 791,  
18 Sec. 1.13.)

19 Source Law

20 Sec. 1.13. If a municipality in whose  
21 extraterritorial jurisdiction the district is located  
22 annexes the district for full or limited purposes and  
23 the annexation precludes or impairs the ability of the  
24 district to issue bonds, the municipality shall,  
25 simultaneously with the annexation, pay in cash to the  
26 landowner or developer of the district a sum equal to  
27 all actual costs and expenses incurred by the  
28 landowner or developer in connection with the district  
29 that the district has, in writing, agreed to pay and  
30 that would otherwise have been eligible for  
31 reimbursement from bond proceeds under the rules and  
32 requirements of the commission as such rules and  
33 requirements exist on the date of annexation. The  
34 municipality shall further be required to install  
35 after annexation all necessary water, wastewater, and  
36 drainage facilities to serve full buildout of  
37 development within the district.

38 Revisor's Note  
39 (End of Chapter)

40 Section 8.01, Chapter 791, Acts of the 74th  
41 Legislature, Regular Session, 1995, provides that the  
42 notice, introduction, and passage of the act satisfied  
43 the requirements of the Texas Constitution, other laws

1 of this state, and rules and procedures of the  
 2 legislature. Section 8.01 also provides that the Texas  
 3 Natural Resource Conservation Commission timely filed  
 4 recommendations relating to the act. The revised law  
 5 omits those provisions as executed. The omitted law  
 6 reads:

7           Sec. 8.01. (a) The proper and legal  
 8 notice of the intention to introduce this  
 9 Act, setting forth the general substance of  
 10 this Act, has been published as provided by  
 11 law, and the notice and a copy of this Act  
 12 have been furnished to all persons,  
 13 agencies, officials, or entities to which  
 14 they are required to be furnished by the  
 15 constitution and other laws of this state,  
 16 including the governor, who has submitted  
 17 the notice and Act to the Texas Natural  
 18 Resource Conservation Commission.

19           (b) The Texas Natural Resource  
 20 Conservation Commission has filed its  
 21 recommendations relating to this Act with  
 22 the governor, lieutenant governor, and  
 23 speaker of the house of representatives  
 24 within the required time.

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

31           CHAPTER 8396. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4

32                           SUBCHAPTER A. GENERAL PROVISIONS

33   Sec. 8396.001.   DEFINITIONS . . . . . 806  
 34   Sec. 8396.002.   NATURE OF DISTRICT . . . . . 806  
 35   Sec. 8396.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 807  
 36   Sec. 8396.004.   DISTRICT TERRITORY . . . . . 808  
 37   Sec. 8396.005.   PROHIBITION AGAINST IMPAIRMENT OF  
 38                           DISTRICT . . . . . 809

39           [Sections 8396.006-8396.050 reserved for expansion]

40                           SUBCHAPTER B. BOARD OF DIRECTORS

41   Sec. 8396.051.   COMPOSITION OF BOARD; TERMS . . . . . 810

42           [Sections 8396.052-8396.100 reserved for expansion]

43                           SUBCHAPTER C. POWERS AND DUTIES

44   Sec. 8396.101.   MUNICIPAL UTILITY DISTRICT POWERS AND  
 45                           DUTIES . . . . . 814

46           [Sections 8396.102-8396.150 reserved for expansion]

1 SUBCHAPTER D. MUNICIPAL ANNEXATION

2 Sec. 8396.151. ANNEXATION BY MUNICIPALITY . . . . . 815

3 Sec. 8396.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION . . . 816

4 CHAPTER 8396. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 4

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Revised Law

7 Sec. 8396.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the district's board of directors.

9 (2) "Commission" means the Texas Commission on  
10 Environmental Quality.

11 (3) "Director" means a member of the board.

12 (4) "District" means the Travis County Municipal  
13 Utility District No. 4. (Acts 74th Leg., R.S., Ch. 791, Sec. 2.02;  
14 New.)

15 Source Law

16 Sec. 2.02. In this article:

17 (1) "Commission" means the Texas Natural  
18 Resource Conservation Commission.

19 (2) "District" means Travis County  
20 Municipal Utility District No. 4.

21 Revisor's Note

22 (1) Section 2.02(1), Chapter 791, Acts of the  
23 74th Legislature, Regular Session, 1995, defines  
24 "commission" as the "Texas Natural Resource  
25 Conservation Commission." The name of the Texas  
26 Natural Resource Conservation Commission was changed  
27 to the Texas Commission on Environmental Quality by  
28 Section 18.01, Chapter 965, Acts of the 77th  
29 Legislature, Regular Session, 2001. The revised law  
30 is drafted accordingly.

31 (2) The definitions of "board" and "director"  
32 are added to the revised law for drafting convenience.

33 Revised Law

34 Sec. 8396.002. NATURE OF DISTRICT. The district is a  
35 conservation and reclamation district in Travis County created  
36 under Section 59, Article XVI, Texas Constitution. (Acts 74th

1 Leg., R.S., Ch. 791, Secs. 2.01(a) (part), (b) (part).)

2 Source Law

3 Sec. 2.01. (a) A conservation and reclamation  
4 district, to be known as Travis County Municipal  
5 Utility District No. 4, is created in Travis County,  
6 . . . .  
7 (b) The district is created under and . . .  
8 Section 59, Article XVI, Texas Constitution.

9 Revisor's Note

10 (1) Section 2.01(a), Chapter 791, Acts of the  
11 74th Legislature, Regular Session, 1995, refers to a  
12 confirmation election. Because the confirmation  
13 election has already been held, the revised law omits  
14 the provision as executed. The omitted law reads:

15 (a) . . . subject to approval at a  
16 confirmation election under Section 2.09 of  
17 this article. . . .

18 (2) Section 2.01(a), Chapter 791, Acts of the  
19 74th Legislature, Regular Session, 1995, provides that  
20 the district is a governmental agency and a body  
21 politic and corporate. The revised law omits the  
22 provision because it duplicates a portion of Section  
23 59(b), Article XVI, Texas Constitution, which provides  
24 that a conservation and reclamation district is a  
25 governmental agency and a body politic and corporate.  
26 The omitted law reads:

27 (a) . . . The district is a  
28 governmental agency and a body politic and  
29 corporate.

30 Revised Law

31 Sec. 8396.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
32 The district is created to serve a public use and benefit.

33 (b) All land and other property included in the district  
34 will benefit from the works and projects accomplished by the  
35 district under the powers conferred by Section 59, Article XVI,  
36 Texas Constitution.

37 (c) The creation of the district is essential to accomplish  
38 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
39 74th Leg., R.S., Ch. 791, Secs. 2.01(b) (part), 2.05.)



1 description may not be accurate on the effective date  
2 of the revision or at the time of a later reading. For  
3 the reader's convenience, the revised law includes  
4 references to the statutory description of the  
5 district's territory and to the authority to change the  
6 district's territory under Subchapter H, Chapter 54,  
7 Water Code, applicable to municipal utility districts,  
8 and under Subchapter J, Chapter 49, Water Code,  
9 applicable to the district under Sections 49.001 and  
10 49.002 of that chapter. The revised law also includes  
11 a reference to the general authority of the  
12 legislature to enact a law to change the district's  
13 territory.

14 (2) Section 2.04, Chapter 791, Acts of the 74th  
15 Legislature, Regular Session, 1995, refers to the  
16 district's authority to "levy and collect" taxes. The  
17 revised law substitutes "impose" for "levy and  
18 collect" because "impose" is the term generally used  
19 in Title 1, Tax Code, and includes the levy and  
20 collection of a tax.

#### 21 Revised Law

22 Sec. 8396.005. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.  
23 A municipality in whose extraterritorial jurisdiction the district  
24 is located may not take any action, including passing an ordinance  
25 or resolution, that:

26 (1) impairs the district's ability to exercise the  
27 district's powers under this chapter; or

28 (2) limits the district's ability to finance,  
29 construct, or operate the district's water, wastewater, or drainage  
30 systems. (Acts 74th Leg., R.S., Ch. 791, Sec. 2.11.)

#### 31 Source Law

32 Sec. 2.11. No municipality in whose  
33 extraterritorial jurisdiction the district is located  
34 shall pass any ordinances or resolutions or otherwise  
35 take any actions which impair the ability of the  
36 district to exercise its powers under this article or  
37 which would limit the ability of the district to

1 finance, construct, or operate its water, wastewater,  
2 or drainage systems.

3 [Sections 8396.006-8396.050 reserved for expansion]

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Revised Law

6 Sec. 8396.051. COMPOSITION OF BOARD; TERMS. (a) The  
7 district is governed by a board of five directors.

8 (b) Directors serve staggered four-year terms. (Acts 74th  
9 Leg., R.S., Ch. 791, Secs. 2.07(a), (d).)

10 Source Law

11 Sec. 2.07. (a) The district is governed by a  
12 board of five directors.

13 (d) Permanent directors other than initial  
14 permanent directors serve staggered four-year terms.

15 Revisor's Note

16 (1) Section 2.07(d), Chapter 791, Acts of the  
17 74th Legislature, Regular Session, 1995, refers to  
18 "[p]ermanent directors other than initial permanent  
19 directors." The revised law omits "permanent" and  
20 "other than initial permanent directors" as  
21 unnecessary because, as used in the revised law,  
22 "director" refers to a permanent director other than  
23 an initial permanent director.

24 (2) Sections 2.07(b) and (c), Chapter 791, Acts  
25 of the 74th Legislature, Regular Session, 1995, refer  
26 to the temporary directors and the initial permanent  
27 directors. The revised law omits as executed the  
28 references to temporary directors and initial  
29 permanent directors. The omitted law reads:

30 (b) Temporary directors serve until  
31 initial permanent directors are elected  
32 under Section 2.09 of this article.

33 (c) Initial permanent directors  
34 serve until permanent directors are elected  
35 under Section 2.10 of this article.

36 (3) Section 2.07(e), Chapter 791, Acts of the  
37 74th Legislature, Regular Session, 1995, requires a  
38 director to qualify to serve in the manner provided by  
39 Section 54.025 or 54.116, Water Code. The revised law

1 omits the reference to Section 54.025, Water Code, as  
2 executed, because that section refers to the  
3 qualification of a temporary director. The revised law  
4 omits the reference to Section 54.116, Water Code,  
5 because that section was repealed by Chapter 715, Acts  
6 of the 74th Legislature, Regular Session, 1995.  
7 Chapter 715 also enacted Section 49.055, Water Code,  
8 which contains the qualification procedures for a  
9 director of a municipal utility district. A reference  
10 to Section 49.055, Water Code, is unnecessary because  
11 that section applies to the district under Sections  
12 49.001 and 49.002, Water Code. The omitted law reads:

13 (e) Each director must qualify to  
14 serve as director in the manner provided by  
15 Section 54.025 or 54.116, Water Code, as  
16 appropriate.

17 (4) Section 2.07(f), Chapter 791, Acts of the  
18 74th Legislature, Regular Session, 1995, provides that  
19 a director serves until a successor has qualified. The  
20 revised law omits the provision as unnecessary because  
21 it duplicates Section 17, Article XVI, Texas  
22 Constitution. That section requires an officer in  
23 this state to continue to perform the officer's duties  
24 until the successor has qualified. The omitted law  
25 reads:

26 (f) A director serves until the  
27 director's successor has qualified.

28 Revisor's Note  
29 (End of Subchapter)

30 (1) Section 2.08, Chapter 791, Acts of the 74th  
31 Legislature, Regular Session, 1995, names and provides  
32 for the qualification of and for filling vacancies on  
33 the temporary board of directors. The revised law  
34 omits that section as executed. The omitted law reads:

35 Sec. 2.08. (a) The temporary board  
36 of directors is composed of:  
37 (1) John Mitchell  
38 (2) Rick Hardin  
39 (3) Linda Holmes

1 (4) J. C. Currier

2 (5) Jill Bickford

3 (b) If a temporary director fails to  
4 qualify for office, the temporary directors  
5 who have qualified shall appoint a person to  
6 fill the vacancy. If at any time there are  
7 fewer than three qualified temporary  
8 directors, the commission shall appoint the  
9 necessary number of persons to fill all  
10 vacancies on the board.

11 (2) Section 2.09, Chapter 791, Acts of the 74th  
12 Legislature, Regular Session, 1995, provides for the  
13 "temporary" board to conduct an election for the  
14 district's initial elected board and to confirm the  
15 district's creation. The revised law omits the section  
16 as executed. The omitted law reads:

17 Sec. 2.09. (a) The temporary board  
18 of directors shall call and hold an election  
19 to confirm establishment of the district  
20 and to elect five initial directors as  
21 provided by Chapter 54, Water Code.

22 (b) Subsection (a), Section 41.001,  
23 Election Code, does not apply to a  
24 confirmation election held as provided by  
25 this section.

26 (3) Section 2.10, Chapter 791, Acts of the 74th  
27 Legislature, Regular Session, 1995, provides that on  
28 the first Saturday in May of the fourth year after the  
29 district's confirmation election, the district shall  
30 hold a directors' election to elect directors with  
31 staggered terms and shall hold subsequent elections  
32 for directors every second year afterwards on the same  
33 date. The district was confirmed in an election held  
34 in November 1995, so the provisions in Section 2.10, if  
35 effective, would result in biennial elections  
36 beginning on the first Saturday in May 1999.

37 The revised law omits those provisions as  
38 superseded by the 1995 enactment of Section 49.103,  
39 Water Code, applicable to the district under Sections  
40 49.001, 49.002, and 49.103(e), Water Code. Section  
41 49.103(b), Water Code, requires the election of the  
42 appropriate number of directors to be held on the  
43 uniform election date in May of even-numbered years.

1 Section 49.103(e), Water Code, provides that the  
2 provisions of Section 49.103(b) take precedence over  
3 all prior statutory enactments. Section 49.103, Water  
4 Code, was enacted by Chapter 715, Acts of the 74th  
5 Legislature, Regular Session, 1995, the same session  
6 as the source law, Chapter 791. The date of enactment  
7 is the date on which the last legislative vote is taken  
8 on the bill enacting the statute. The last legislative  
9 vote on Chapter 715 was taken May 25, 1995. The last  
10 legislative vote on Chapter 791 was taken May 24, 1995.  
11 Accordingly, Section 49.103(b) prevails over Section  
12 2.10, Chapter 791, Acts of the 74th Legislature,  
13 Regular Session, 1995. In addition, Section 50(b) of  
14 Chapter 715, Acts of the 74th Legislature, Regular  
15 Session, 1995, expressly stated that Section  
16 49.103(b), Water Code, governed all elections held  
17 after December 31, 1995, and provided specific  
18 election dates necessary to implement the required  
19 transition.

20 It should be noted that additional statutes  
21 enacted after 1995 may also have affected the date on  
22 which the district conducts directors' elections. For  
23 example, Section 41.0052(a), Election Code, as amended  
24 by Chapter 1318, Acts of the 82nd Legislature, Regular  
25 Session, 2011, permitted political subdivisions other  
26 than counties to change the date of elections to the  
27 November uniform election date.

28 The omitted law reads:

29 Sec. 2.10. On the first Saturday in  
30 May of the fourth year after the year in  
31 which the confirmation election is held, an  
32 election shall be held in the district for  
33 the election of two directors who shall each  
34 serve two-year terms and three directors  
35 who shall serve four-year terms.  
36 Thereafter, on the same date in each  
37 subsequent second year, the appropriate  
38 number of directors shall be elected to the  
39 board.

1 [Sections 8396.052-8396.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Revised Law

4 Sec. 8396.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
5 DUTIES. The district has the rights, powers, privileges,  
6 functions, and duties provided by general law applicable to a  
7 municipal utility district created under Section 59, Article XVI,  
8 Texas Constitution, including Chapters 49, 50, and 54, Water Code.  
9 (Acts 74th Leg., R.S., Ch. 791, Sec. 2.06(a) (part).)

10 Source Law

11 Sec. 2.06. (a) The district has all of the  
12 rights, powers, privileges, authority, functions, and  
13 duties provided by the general law of this state,  
14 including Chapters 50 and 54, Water Code, applicable  
15 to municipal utility districts created under Section  
16 59, Article XVI, Texas Constitution. . . .

17 Revisor's Note

18 (1) Section 2.06(a), Chapter 791, Acts of the  
19 74th Legislature, Regular Session, 1995, refers to the  
20 "rights, powers, privileges, [and] authority" of the  
21 district. The revised law omits "authority" because,  
22 in context, "authority" is included in the meaning of  
23 "rights, powers, [and] privileges."

24 (2) Section 2.06(a), Chapter 791, Acts of the  
25 74th Legislature, Regular Session, 1995, refers to  
26 Chapters 50 and 54, Water Code. For the reader's  
27 convenience, the revised law adds a reference to  
28 Chapter 49, Water Code, because Chapter 715, Acts of  
29 the 74th Legislature, Regular Session, 1995, repealed  
30 most of the provisions of Chapter 50 and many  
31 provisions of Chapter 54 and enacted similar  
32 provisions in Chapter 49, Water Code. Chapter 49  
33 applies to municipal utility districts under Sections  
34 49.001 and 49.002, Water Code.

35 (3) Section 2.06(a), Chapter 791, Acts of the  
36 74th Legislature, Regular Session, 1995, provides that  
37 the article prevails over general law in case of a

1 conflict or other inconsistency. The revised law  
2 omits the provision because it duplicates Section  
3 311.026, Government Code (Code Construction Act). The  
4 omitted law reads:

5 (a) . . . This article prevails over  
6 any provision of general law that is in  
7 conflict or inconsistent with this article.

8 (4) Section 2.06(b), Chapter 791, Acts of the  
9 74th Legislature, Regular Session, 1995, refers to the  
10 continuing supervision exercised by the "commission,"  
11 defined in Section 2.02, Chapter 791, Acts of the 74th  
12 Legislature, Regular Session, 1995, as the Texas  
13 Natural Resource Conservation Commission. The revised  
14 law omits the provision because the Texas Commission  
15 on Environmental Quality is the successor to the Texas  
16 Natural Resource Conservation Commission and  
17 therefore the provision duplicates, in substance, part  
18 of Section 12.081, Water Code, which is a general law  
19 that applies to the district. The name of the Texas  
20 Natural Resource Conservation Commission was changed  
21 to the Texas Commission on Environmental Quality by  
22 Section 18.01, Chapter 965, Acts of the 77th  
23 Legislature, Regular Session, 2001. The omitted law  
24 reads:

25 (b) The rights, powers, privileges,  
26 authority, functions, and duties of the  
27 district are subject to the continuing  
28 right of supervision of the state to be  
29 exercised by and through the commission.

30 [Sections 8396.102-8396.150 reserved for expansion]

31 SUBCHAPTER D. MUNICIPAL ANNEXATION

32 Revised Law

33 Sec. 8396.151. ANNEXATION BY MUNICIPALITY. A municipality  
34 may annex the district on the earlier of:

35 (1) the installation of 90 percent of all works,  
36 improvements, facilities, plants, equipment, and appliances  
37 necessary and adequate to:

1 (A) provide service to the proposed development  
2 within the district;

3 (B) accomplish the purposes for which the  
4 district was created; and

5 (C) exercise the powers provided by general law  
6 and this chapter; or

7 (2) the 20th anniversary of the date the district was  
8 confirmed. (Acts 74th Leg., R.S., Ch. 791, Sec. 2.12.)

9 Source Law

10 Sec. 2.12. The district may be annexed by a  
11 municipality only after:

12 (1) the installation of 90 percent of all  
13 works, improvements, facilities, plants, equipment,  
14 and appliances necessary and adequate to:

15 (A) provide service to the proposed  
16 development within the district;

17 (B) accomplish the purposes for which  
18 the district was created; and

19 (C) exercise the powers provided by  
20 the general law of this state and this article; or

21 (2) the expiration of 20 years from the  
22 date the district was confirmed, whichever occurs  
23 first.

24 Revised Law

25 Sec. 8396.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION. If  
26 a municipality in whose extraterritorial jurisdiction the district  
27 is located annexes the district for full or limited purposes and the  
28 annexation precludes or impairs the ability of the district to  
29 issue bonds, the municipality shall:

30 (1) simultaneously with the annexation, pay in cash to  
31 the landowner or developer of the district a sum equal to all actual  
32 costs and expenses incurred by the landowner or developer in  
33 connection with the district that:

34 (A) the district has agreed in writing to pay;  
35 and

36 (B) would otherwise have been eligible for  
37 reimbursement from bond proceeds under the rules and requirements  
38 of the commission as those rules and requirements exist on the date  
39 of annexation; and

40 (2) after the annexation, install all necessary water,  
41 wastewater, and drainage facilities to serve full buildout of

1 development within the district. (Acts 74th Leg., R.S., Ch. 791,  
2 Sec. 2.13.)

3 Source Law

4 Sec. 2.13. If a municipality in whose  
5 extraterritorial jurisdiction the district is located  
6 annexes the district for full or limited purposes and  
7 the annexation precludes or impairs the ability of the  
8 district to issue bonds, the municipality shall,  
9 simultaneously with the annexation, pay in cash to the  
10 landowner or developer of the district a sum equal to  
11 all actual costs and expenses incurred by the  
12 landowner or developer in connection with the district  
13 that the district has, in writing, agreed to pay and  
14 that would otherwise have been eligible for  
15 reimbursement from bond proceeds under the rules and  
16 requirements of the commission as such rules and  
17 requirements exist on the date of annexation. The  
18 municipality shall further be required to install  
19 after annexation all necessary water, wastewater, and  
20 drainage facilities to serve full buildout of  
21 development within the district.

22 Revisor's Note  
23 (End of Chapter)

24 Section 8.01, Chapter 791, Acts of the 74th  
25 Legislature, Regular Session, 1995, provides that the  
26 notice, introduction, and passage of the act satisfied  
27 the requirements of the Texas Constitution, other laws  
28 of this state, and rules and procedures of the  
29 legislature. Section 8.01 also provides that the Texas  
30 Natural Resource Conservation Commission timely filed  
31 recommendations relating to the act. The revised law  
32 omits those provisions as executed. The omitted law  
33 reads:

34 Sec. 8.01. (a) The proper and legal  
35 notice of the intention to introduce this  
36 Act, setting forth the general substance of  
37 this Act, has been published as provided by  
38 law, and the notice and a copy of this Act  
39 have been furnished to all persons,  
40 agencies, officials, or entities to which  
41 they are required to be furnished by the  
42 constitution and other laws of this state,  
43 including the governor, who has submitted  
44 the notice and Act to the Texas Natural  
45 Resource Conservation Commission.

46 (b) The Texas Natural Resource  
47 Conservation Commission has filed its  
48 recommendations relating to this Act with  
49 the governor, lieutenant governor, and  
50 speaker of the house of representatives  
51 within the required time.

52 (c) All requirements of the  
53 constitution and laws of this state and the

1 rules and procedures of the legislature  
2 with respect to the notice, introduction,  
3 and passage of this Act are fulfilled and  
4 accomplished.

5 CHAPTER 8397. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 8397.001. DEFINITIONS . . . . . 818  
8 Sec. 8397.002. NATURE OF DISTRICT . . . . . 819  
9 Sec. 8397.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 820  
10 Sec. 8397.004. DISTRICT TERRITORY . . . . . 820  
11 Sec. 8397.005. PROHIBITION AGAINST IMPAIRMENT OF  
12 DISTRICT . . . . . 822

13 [Sections 8397.006-8397.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 8397.051. COMPOSITION OF BOARD; TERMS . . . . . 822

16 [Sections 8397.052-8397.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 8397.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
19 DUTIES . . . . . 826

20 [Sections 8397.102-8397.150 reserved for expansion]

21 SUBCHAPTER D. MUNICIPAL ANNEXATION

22 Sec. 8397.151. ANNEXATION BY MUNICIPALITY . . . . . 828  
23 Sec. 8397.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION . . . 829

24 CHAPTER 8397. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Revised Law

27 Sec. 8397.001. DEFINITIONS. In this chapter:

28 (1) "Board" means the district's board of directors.

29 (2) "Commission" means the Texas Commission on  
30 Environmental Quality.

31 (3) "Director" means a member of the board.

32 (4) "District" means the Travis County Municipal  
33 Utility District No. 5. (Acts 74th Leg., R.S., Ch. 791, Sec. 3.02;  
34 New.)

35 Source Law

36 Sec. 3.02. In this article:

37 (1) "Commission" means the Texas Natural

1 Resource Conservation Commission.  
2 (2) "District" means Travis County  
3 Municipal Utility District No. 5.

4 Revisor's Note

5 (1) Section 3.02(1), Chapter 791, Acts of the  
6 74th Legislature, Regular Session, 1995, defines  
7 "commission" as the "Texas Natural Resource  
8 Conservation Commission." The name of the Texas  
9 Natural Resource Conservation Commission was changed  
10 to the 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) The definitions of "board" and "director"  
15 are added to the revised law for drafting convenience.

16 Revised Law

17 Sec. 8397.002. NATURE OF DISTRICT. The district is a  
18 conservation and reclamation district in Travis County created  
19 under Section 59, Article XVI, Texas Constitution. (Acts 74th  
20 Leg., R.S., Ch. 791, Secs. 3.01(a) (part), (b) (part).)

21 Source Law

22 Sec. 3.01. (a) A conservation and reclamation  
23 district, to be known as Travis County Municipal  
24 Utility District No. 5, is created in Travis County,  
25 . . . .  
26 (b) The district is created under and . . .  
27 Section 59, Article XVI, Texas Constitution.

28 Revisor's Note

29 (1) Section 3.01(a), Chapter 791, Acts of the  
30 74th Legislature, Regular Session, 1995, refers to a  
31 confirmation election. Because the confirmation  
32 election has already been held, the revised law omits  
33 the provision as executed. The omitted law reads:

34 (a) . . . subject to approval at a  
35 confirmation election under Section 3.09 of  
36 this article. . . .

37 (2) Section 3.01(a), Chapter 791, Acts of the  
38 74th Legislature, Regular Session, 1995, provides that  
39 the district is a governmental agency and a body

1 politic and corporate. The revised law omits the  
2 provision because it duplicates a portion of Section  
3 59(b), Article XVI, Texas Constitution, which provides  
4 that a conservation and reclamation district is a  
5 governmental agency and a body politic and corporate.  
6 The omitted law reads:

7 (a) . . . The district is a  
8 governmental agency and a body politic and  
9 corporate.

10 Revised Law

11 Sec. 8397.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
12 The district is created to serve a public use and benefit.

13 (b) All land and other property included in the district  
14 will benefit from the works and projects accomplished by the  
15 district under the powers conferred by Section 59, Article XVI,  
16 Texas Constitution.

17 (c) The creation of the district is essential to accomplish  
18 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
19 74th Leg., R.S., Ch. 791, Secs. 3.01(b) (part), 3.05.)

20 Source Law

21 [Sec. 3.01]

22 (b) [The district is created under and] is  
23 essential to accomplish the purposes of Section 59,  
24 Article XVI, Texas Constitution.

25 Sec. 3.05. All of the land and other property  
26 included within the boundaries of the district will be  
27 benefited by the works and projects that are to be  
28 accomplished by the district under the powers  
29 conferred by Section 59, Article XVI, Texas  
30 Constitution. The district is created to serve a  
31 public use and benefit.

32 Revised Law

33 Sec. 8397.004. DISTRICT TERRITORY. (a) The district is  
34 composed of the territory described by Section 3.03, Chapter 791,  
35 Acts of the 74th Legislature, Regular Session, 1995, as that  
36 territory may have been modified under:

- 37 (1) Subchapter H, Chapter 54, Water Code;  
38 (2) Subchapter J, Chapter 49, Water Code; or  
39 (3) other law.

40 (b) The boundaries and field notes of the district form a

1 closure. A mistake in the field notes or in copying the field notes  
2 in the legislative process does not affect:

3 (1) the district's organization, existence, or  
4 validity;

5 (2) the district's right to impose a tax; or

6 (3) the legality or operation of the district or its  
7 governing body. (Acts 74th Leg., R.S., Ch. 791, Sec. 3.04; New.)

8 Source Law

9 Sec. 3.04. The legislature finds that the  
10 boundaries and field notes of the district form a  
11 closure. A mistake in the field notes or in copying the  
12 field notes in the legislative process does not affect  
13 the organization, existence, or validity of the  
14 district, the right of the district to levy and collect  
15 taxes, or the legality or operation of the district or  
16 its governing body.

17 Revisor's Note

18 (1) The revision of the law governing the  
19 district does not revise the statutory language  
20 describing the territory of the district to avoid the  
21 lengthy 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 includes  
25 references to the statutory description of the  
26 district's territory and to the authority to change the  
27 district's territory under Subchapter H, Chapter 54,  
28 Water Code, applicable to municipal utility districts,  
29 and under Subchapter J, Chapter 49, Water Code,  
30 applicable to the district under Sections 49.001 and  
31 49.002 of that chapter. The revised law also includes  
32 a reference to the general authority of the  
33 legislature to enact a law to change the district's  
34 territory.

35 (2) Section 3.04, Chapter 791, Acts of the 74th  
36 Legislature, Regular Session, 1995, refers to the  
37 district's authority to "levy and collect" taxes. The  
38 revised law substitutes "impose" for "levy and

1 collect" because "impose" is the term generally used  
2 in Title 1, Tax Code, and includes the levy and  
3 collection of a tax.

4 Revised Law

5 Sec. 8397.005. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.  
6 A municipality in whose extraterritorial jurisdiction the district  
7 is located may not take any action, including passing an ordinance  
8 or resolution, that:

9 (1) impairs the district's ability to exercise the  
10 district's powers under this chapter; or

11 (2) limits the district's ability to finance,  
12 construct, or operate the district's water, wastewater, or drainage  
13 systems. (Acts 74th Leg., R.S., Ch. 791, Sec. 3.11.)

14 Source Law

15 Sec. 3.11. No municipality in whose  
16 extraterritorial jurisdiction the district is located  
17 shall pass any ordinances or resolutions or otherwise  
18 take any actions which impair the ability of the  
19 district to exercise its powers under this article or  
20 which would limit the ability of the district to  
21 finance, construct, or operate its water, wastewater,  
22 or drainage systems.

23 [Sections 8397.006-8397.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Revised Law

26 Sec. 8397.051. COMPOSITION OF BOARD; TERMS. (a) The  
27 district is governed by a board of five directors.

28 (b) Directors serve staggered four-year terms. (Acts 74th  
29 Leg., R.S., Ch. 791, Secs. 3.07(a), (d).)

30 Source Law

31 Sec. 3.07. (a) The district is governed by a  
32 board of five directors.

33 (d) Permanent directors other than initial  
34 permanent directors serve staggered four-year terms.

35 Revisor's Note

36 (1) Section 3.07(d), Chapter 791, Acts of the  
37 74th Legislature, Regular Session, 1995, refers to  
38 "[p]ermanent directors other than initial permanent  
39 directors." The revised law omits "permanent" and

1 "other than initial permanent directors" as  
2 unnecessary because, as used in the revised law,  
3 "director" refers to a permanent director other than  
4 an initial permanent director.

5 (2) Sections 3.07(b) and (c), Chapter 791, Acts  
6 of the 74th Legislature, Regular Session, 1995, refer  
7 to the temporary directors and the initial permanent  
8 directors. The revised law omits as executed the  
9 references to temporary directors and initial  
10 permanent directors. The omitted law reads:

11 (b) Temporary directors serve until  
12 initial permanent directors are elected  
13 under Section 3.09 of this article.

14 (c) Initial permanent directors  
15 serve until permanent directors are elected  
16 under Section 3.10 of this article.

17 (3) Section 3.07(e), Chapter 791, Acts of the  
18 74th Legislature, Regular Session, 1995, requires a  
19 director to qualify to serve in the manner provided by  
20 Section 54.025 or 54.116, Water Code. The revised law  
21 omits the reference to Section 54.025, Water Code, as  
22 executed, because that section refers to the  
23 qualification of a temporary director. The revised  
24 law omits the reference to Section 54.116, Water Code,  
25 because that section was repealed by Chapter 715, Acts  
26 of the 74th Legislature, Regular Session, 1995.  
27 Chapter 715 also enacted Section 49.055, Water Code,  
28 which contains the qualification procedures for a  
29 director of a municipal utility district. A reference  
30 to Section 49.055, Water Code, is unnecessary because  
31 that section applies to the district under Sections  
32 49.001 and 49.002, Water Code. The omitted law reads:

33 (e) Each director must qualify to  
34 serve as director in the manner provided by  
35 Section 54.025 or 54.116, Water Code, as  
36 appropriate.

37 (4) Section 3.07(f), Chapter 791, Acts of the  
38 74th Legislature, Regular Session, 1995, provides that

1 a director serves until a successor has qualified. The  
2 revised law omits the provision as unnecessary because  
3 it duplicates Section 17, Article XVI, Texas  
4 Constitution. That section requires an officer in  
5 this state to continue to perform the officer's duties  
6 until the successor has qualified. The omitted law  
7 reads:

8 (f) A director serves until the  
9 director's successor has qualified.

10 Revisor's Note  
11 (End of Subchapter)

12 (1) Section 3.08, Chapter 791, Acts of the 74th  
13 Legislature, Regular Session, 1995, names and provides  
14 for the qualification of and for filling vacancies on  
15 the temporary board of directors. The revised law  
16 omits that section as executed. The omitted law reads:

17 Sec. 3.08. (a) The temporary board  
18 of directors is composed of:

- 19 (1) Rob Riviere  
20 (2) John Slais  
21 (3) Walt Collins  
22 (4) Chip Thomson  
23 (5) Bill Snyder

24 (b) If a temporary director fails to  
25 qualify for office, the temporary directors  
26 who have qualified shall appoint a person to  
27 fill the vacancy. If at any time there are  
28 fewer than three qualified temporary  
29 directors, the commission shall appoint the  
30 necessary number of persons to fill all  
31 vacancies on the board.

32 (2) Section 3.09, Chapter 791, Acts of the 74th  
33 Legislature, Regular Session, 1995, provides for the  
34 "temporary" board to conduct an election for the  
35 district's initial elected board and to confirm the  
36 district's creation. The revised law omits the section  
37 as executed. The omitted law reads:

38 Sec. 3.09. (a) The temporary board  
39 of directors shall call and hold an election  
40 to confirm establishment of the district  
41 and to elect five initial directors as  
42 provided by Chapter 54, Water Code.

43 (b) Subsection (a), Section 41.001,  
44 Election Code, does not apply to a  
45 confirmation election held as provided by  
46 this section.

1           (3) Section 3.10, Chapter 791, Acts of the 74th  
2           Legislature, Regular Session, 1995, provides that on  
3           the first Saturday in May of the fourth year after the  
4           district's confirmation election, the district shall  
5           hold a directors' election to elect directors with  
6           staggered terms and shall hold subsequent elections  
7           for directors every second year afterwards on the same  
8           date. The district was confirmed in an election held  
9           in November 1995, so the provisions in Section 3.10, if  
10          effective, would result in biennial elections  
11          beginning on the first Saturday in May 1999.

12          The revised law omits those provisions as  
13          superseded by the 1995 enactment of Section 49.103,  
14          Water Code, applicable to the district under Sections  
15          49.001, 49.002, and 49.103(e), Water Code. Section  
16          49.103(b), Water Code, requires the election of the  
17          appropriate number of directors to be held on the  
18          uniform election date in May of even-numbered years.  
19          Section 49.103(e), Water Code, provides that the  
20          provisions of Section 49.103(b) take precedence over  
21          all prior statutory enactments. Section 49.103, Water  
22          Code, was enacted by Chapter 715, Acts of the 74th  
23          Legislature, Regular Session, 1995, the same session  
24          as the source law, Chapter 791. The date of enactment  
25          is the date on which the last legislative vote is taken  
26          on the bill enacting the statute. The last legislative  
27          vote on Chapter 715 was taken May 25, 1995. The last  
28          legislative vote on Chapter 791 was taken May 24, 1995.  
29          Accordingly, Section 49.103(b) prevails over Section  
30          3.10, Chapter 791, Acts of the 74th Legislature,  
31          Regular Session, 1995. In addition, Section 50(b) of  
32          Chapter 715, Acts of the 74th Legislature, Regular  
33          Session, 1995, expressly stated that Section  
34          49.103(b), Water Code, governed all elections held

1 after December 31, 1995, and provided specific  
2 election dates necessary to implement the required  
3 transition.

4 It should be noted that additional statutes  
5 enacted after 1995 may also have affected the date on  
6 which the district conducts directors' elections. For  
7 example, Section 41.0052(a), Election Code, as amended  
8 by Chapter 1318, Acts of the 82nd Legislature, Regular  
9 Session, 2011, permitted political subdivisions other  
10 than counties to change the date of elections to the  
11 November uniform election date.

12 The omitted law reads:

13 Sec. 3.10. On the first Saturday in  
14 May of the fourth year after the year in  
15 which the confirmation election is held, an  
16 election shall be held in the district for  
17 the election of two directors who shall each  
18 serve two-year terms and three directors  
19 who shall serve four-year terms.  
20 Thereafter, on the same date in each  
21 subsequent second year, the appropriate  
22 number of directors shall be elected to the  
23 board.

24 [Sections 8397.052-8397.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Revised Law

27 Sec. 8397.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
28 DUTIES. The district has the rights, powers, privileges,  
29 functions, and duties provided by general law applicable to a  
30 municipal utility district created under Section 59, Article XVI,  
31 Texas Constitution, including Chapters 49, 50, and 54, Water Code.  
32 (Acts 74th Leg., R.S., Ch. 791, Sec. 3.06(a) (part).)

33 Source Law

34 Sec. 3.06. (a) The district has all of the  
35 rights, powers, privileges, authority, functions, and  
36 duties provided by the general law of this state,  
37 including Chapters 50 and 54, Water Code, applicable  
38 to municipal utility districts created under Section  
39 59, Article XVI, Texas Constitution. . . .

40 Revisor's Note

41 (1) Section 3.06(a), Chapter 791, Acts of the  
42 74th Legislature, Regular Session, 1995, refers to the

1 "rights, powers, privileges, [and] authority" of the  
2 district. The revised law omits "authority" because,  
3 in context, "authority" is included in the meaning of  
4 "rights, powers, [and] privileges."

5 (2) Section 3.06(a), Chapter 791, Acts of the  
6 74th Legislature, Regular Session, 1995, refers to  
7 Chapters 50 and 54, Water Code. For the reader's  
8 convenience, the revised law adds a reference to  
9 Chapter 49, Water Code, because Chapter 715, Acts of  
10 the 74th Legislature, Regular Session, 1995, repealed  
11 most of the provisions of Chapter 50 and many  
12 provisions of Chapter 54 and enacted similar  
13 provisions in Chapter 49, Water Code. Chapter 49  
14 applies to municipal utility districts under Sections  
15 49.001 and 49.002, Water Code.

16 (3) Section 3.06(a), Chapter 791, Acts of the  
17 74th Legislature, Regular Session, 1995, provides that  
18 the article prevails over general law in case of a  
19 conflict or other inconsistency. The revised law  
20 omits the provision because it duplicates Section  
21 311.026, Government Code (Code Construction Act). The  
22 omitted law reads:

23 (a) . . . This article prevails over  
24 any provision of general law that is in  
25 conflict or inconsistent with this article.

26 (4) Section 3.06(b), Chapter 791, Acts of the  
27 74th Legislature, Regular Session, 1995, refers to the  
28 continuing supervision exercised by the "commission,"  
29 defined in Section 3.02, Chapter 791, Acts of the 74th  
30 Legislature, Regular Session, 1995, as the Texas  
31 Natural Resource Conservation Commission. The revised  
32 law omits the provision because the Texas Commission  
33 on Environmental Quality is the successor to the Texas  
34 Natural Resource Conservation Commission and  
35 therefore the provision duplicates, in substance, part

1 of Section 12.081, Water Code, which is a general law  
2 that applies to the district. The name of the Texas  
3 Natural Resource Conservation Commission was changed  
4 to the Texas Commission on Environmental Quality by  
5 Section 18.01, Chapter 965, Acts of the 77th  
6 Legislature, Regular Session, 2001. The omitted law  
7 reads:

8 (b) The rights, powers, privileges,  
9 authority, functions, and duties of the  
10 district are subject to the continuing  
11 right of supervision of the state to be  
12 exercised by and through the commission.

13 [Sections 8397.102-8397.150 reserved for expansion]

14 SUBCHAPTER D. MUNICIPAL ANNEXATION

15 Revised Law

16 Sec. 8397.151. ANNEXATION BY MUNICIPALITY. A municipality  
17 may annex the district on the earlier of:

18 (1) the installation of 90 percent of all works,  
19 improvements, facilities, plants, equipment, and appliances  
20 necessary and adequate to:

21 (A) provide service to the proposed development  
22 within the district;

23 (B) accomplish the purposes for which the  
24 district was created; and

25 (C) exercise the powers provided by general law  
26 and this chapter; or

27 (2) the 20th anniversary of the date the district was  
28 confirmed. (Acts 74th Leg., R.S., Ch. 791, Sec. 3.12.)

29 Source Law

30 Sec. 3.12. The district may be annexed by a  
31 municipality only after:

32 (1) the installation of 90 percent of all  
33 works, improvements, facilities, plants, equipment,  
34 and appliances necessary and adequate to:

35 (A) provide service to the proposed  
36 development within the district;

37 (B) accomplish the purposes for which  
38 the district was created; and

39 (C) exercise the powers provided by  
40 the general law of this state and this article; or

41 (2) the expiration of 20 years from the  
42 date the district was confirmed, whichever occurs  
43 first.

1 Revised Law

2 Sec. 8397.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION. If  
3 a municipality in whose extraterritorial jurisdiction the district  
4 is located annexes the district for full or limited purposes and the  
5 annexation precludes or impairs the ability of the district to  
6 issue bonds, the municipality shall:

7 (1) simultaneously with the annexation, pay in cash to  
8 the landowner or developer of the district a sum equal to all actual  
9 costs and expenses incurred by the landowner or developer in  
10 connection with the district that:

11 (A) the district has agreed in writing to pay;  
12 and

13 (B) would otherwise have been eligible for  
14 reimbursement from bond proceeds under the rules and requirements  
15 of the commission as those rules and requirements exist on the date  
16 of annexation; and

17 (2) after the annexation, install all necessary water,  
18 wastewater, and drainage facilities to serve full buildout of  
19 development within the district. (Acts 74th Leg., R.S., Ch. 791,  
20 Sec. 3.13.)

21 Source Law

22 Sec. 3.13. If a municipality in whose  
23 extraterritorial jurisdiction the district is located  
24 annexes the district for full or limited purposes and  
25 the annexation precludes or impairs the ability of the  
26 district to issue bonds, the municipality shall,  
27 simultaneously with the annexation, pay in cash to the  
28 landowner or developer of the district a sum equal to  
29 all actual costs and expenses incurred by the  
30 landowner or developer in connection with the district  
31 that the district has, in writing, agreed to pay and  
32 that would otherwise have been eligible for  
33 reimbursement from bond proceeds under the rules and  
34 requirements of the commission as such rules and  
35 requirements exist on the date of annexation. The  
36 municipality shall further be required to install  
37 after annexation all necessary water, wastewater, and  
38 drainage facilities to serve full buildout of  
39 development within the district.

40 Revisor's Note  
41 (End of Chapter)

42 Section 8.01, Chapter 791, Acts of the 74th  
43 Legislature, Regular Session, 1995, provides that the

1 notice, introduction, and passage of the act satisfied  
 2 the requirements of the Texas Constitution, other laws  
 3 of this state, and rules and procedures of the  
 4 legislature. Section 8.01 also provides that the Texas  
 5 Natural Resource Conservation Commission timely filed  
 6 recommendations relating to the act. The revised law  
 7 omits those provisions as executed. The omitted law  
 8 reads:

9           Sec. 8.01. (a) The proper and legal  
 10 notice of the intention to introduce this  
 11 Act, setting forth the general substance of  
 12 this Act, has been published as provided by  
 13 law, and the notice and a copy of this Act  
 14 have been furnished to all persons,  
 15 agencies, officials, or entities to which  
 16 they are required to be furnished by the  
 17 constitution and other laws of this state,  
 18 including the governor, who has submitted  
 19 the notice and Act to the Texas Natural  
 20 Resource Conservation Commission.

21           (b) The Texas Natural Resource  
 22 Conservation Commission has filed its  
 23 recommendations relating to this Act with  
 24 the governor, lieutenant governor, and  
 25 speaker of the house of representatives  
 26 within the required time.

27           (c) All requirements of the  
 28 constitution and laws of this state and the  
 29 rules and procedures of the legislature  
 30 with respect to the notice, introduction,  
 31 and passage of this Act are fulfilled and  
 32 accomplished.

33           CHAPTER 8398. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 6

34                           SUBCHAPTER A. GENERAL PROVISIONS

35   Sec. 8398.001.   DEFINITIONS . . . . . 831  
 36   Sec. 8398.002.   NATURE OF DISTRICT . . . . . 832  
 37   Sec. 8398.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 832  
 38   Sec. 8398.004.   DISTRICT TERRITORY . . . . . 833  
 39   Sec. 8398.005.   PROHIBITION AGAINST IMPAIRMENT OF  
 40                           DISTRICT . . . . . 834

41           [Sections 8398.006-8398.050 reserved for expansion]

42                           SUBCHAPTER B. BOARD OF DIRECTORS

43   Sec. 8398.051.   COMPOSITION OF BOARD; TERMS . . . . . 835

44           [Sections 8398.052-8398.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 8398.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
3 DUTIES . . . . . 839  
4 [Sections 8398.102-8398.150 reserved for expansion]

5 SUBCHAPTER D. MUNICIPAL ANNEXATION

6 Sec. 8398.151. ANNEXATION BY MUNICIPALITY . . . . . 841  
7 Sec. 8398.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION . . . 841

8 CHAPTER 8398. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 6

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Revised Law

11 Sec. 8398.001. DEFINITIONS. In this chapter:

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

13 (2) "Commission" means the Texas Commission on  
14 Environmental Quality.

15 (3) "Director" means a member of the board.

16 (4) "District" means the Travis County Municipal  
17 Utility District No. 6. (Acts 74th Leg., R.S., Ch. 791, Sec. 4.02;  
18 New.)

19 Source Law

20 Sec. 4.02. In this article:

21 (1) "Commission" means the Texas Natural  
22 Resource Conservation Commission.

23 (2) "District" means Travis County  
24 Municipal Utility District No. 6.

25 Revisor's Note

26 (1) Section 4.02(1), Chapter 791, Acts of the  
27 74th Legislature, Regular Session, 1995, defines  
28 "commission" as the "Texas Natural Resource  
29 Conservation Commission." The name of the Texas  
30 Natural Resource Conservation Commission was changed  
31 to the Texas Commission on Environmental Quality by  
32 Section 18.01, Chapter 965, Acts of the 77th  
33 Legislature, Regular Session, 2001. The revised law  
34 is drafted accordingly.

35 (2) The definitions of "board" and "director"  
36 are added to the revised law for drafting convenience.



1 Texas Constitution.

2 (c) The creation of the district is essential to accomplish  
3 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
4 74th Leg., R.S., Ch. 791, Secs. 4.01(b) (part), 4.05.)

5 Source Law

6 [Sec. 4.01]

7 (b) [The district is created under and] is  
8 essential to accomplish the purposes of Section 59,  
9 Article XVI, Texas Constitution.

10 Sec. 4.05. All of the land and other property  
11 included within the boundaries of the district will be  
12 benefited by the works and projects that are to be  
13 accomplished by the district under the powers  
14 conferred by Section 59, Article XVI, Texas  
15 Constitution. The district is created to serve a  
16 public use and benefit.

17 Revised Law

18 Sec. 8398.004. DISTRICT TERRITORY. (a) The district is  
19 composed of the territory described by Section 4.03, Chapter 791,  
20 Acts of the 74th Legislature, Regular Session, 1995, as that  
21 territory may have been modified under:

22 (1) Subchapter H, Chapter 54, Water Code;

23 (2) Subchapter J, Chapter 49, Water Code; or

24 (3) other law.

25 (b) The boundaries and field notes of the district form a  
26 closure. A mistake in the field notes or in copying the field notes  
27 in the legislative process does not affect:

28 (1) the district's organization, existence, or  
29 validity;

30 (2) the district's right to impose a tax; or

31 (3) the legality or operation of the district or its  
32 governing body. (Acts 74th Leg., R.S., Ch. 791, Sec. 4.04; New.)

33 Source Law

34 Sec. 4.04. The legislature finds that the  
35 boundaries and field notes of the district form a  
36 closure. A mistake in the field notes or in copying the  
37 field notes in the legislative process does not affect  
38 the organization, existence, or validity of the  
39 district, the right of the district to levy and collect  
40 taxes, or the legality or operation of the district or  
41 its governing body.

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 on the effective date  
7 of the revision or at the time of a later reading. For  
8 the reader's convenience, the revised law includes  
9 references to the statutory description of the  
10 district's territory and to the authority to change the  
11 district's territory under Subchapter H, Chapter 54,  
12 Water Code, applicable to municipal utility districts,  
13 and under Subchapter J, Chapter 49, Water Code,  
14 applicable to the district under Sections 49.001 and  
15 49.002 of that chapter. The revised law also includes  
16 a reference to the general authority of the  
17 legislature to enact a law to change the district's  
18 territory.

19 (2) Section 4.04, Chapter 791, Acts of the 74th  
20 Legislature, Regular Session, 1995, refers to the  
21 district's authority to "levy and collect" taxes. The  
22 revised law substitutes "impose" for "levy and  
23 collect" because "impose" is the term generally used  
24 in Title 1, Tax Code, and includes the levy and  
25 collection of a tax.

26 Revised Law

27 Sec. 8398.005. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.  
28 A municipality in whose extraterritorial jurisdiction the district  
29 is located may not take any action, including passing an ordinance  
30 or resolution, that:

31 (1) impairs the district's ability to exercise the  
32 district's powers under this chapter; or

33 (2) limits the district's ability to finance,  
34 construct, or operate the district's water, wastewater, or drainage

1 systems. (Acts 74th Leg., R.S., Ch. 791, Sec. 4.11.)

2 Source Law

3 Sec. 4.11. No municipality in whose  
4 extraterritorial jurisdiction the district is located  
5 shall pass any ordinances or resolutions or otherwise  
6 take any actions which impair the ability of the  
7 district to exercise its powers under this article or  
8 which would limit the ability of the district to  
9 finance, construct, or operate its water, wastewater,  
10 or drainage systems.

11 [Sections 8398.006-8398.050 reserved for expansion]

12 SUBCHAPTER B. BOARD OF DIRECTORS

13 Revised Law

14 Sec. 8398.051. COMPOSITION OF BOARD; TERMS. (a) The  
15 district is governed by a board of five directors.

16 (b) Directors serve staggered four-year terms. (Acts 74th  
17 Leg., R.S., Ch. 791, Secs. 4.07(a), (d).)

18 Source Law

19 Sec. 4.07. (a) The district is governed by a  
20 board of five directors.

21 (d) Permanent directors other than initial  
22 permanent directors serve staggered four-year terms.

23 Revisor's Note

24 (1) Section 4.07(d), Chapter 791, Acts of the  
25 74th Legislature, Regular Session, 1995, refers to  
26 "[p]ermanent directors other than initial permanent  
27 directors." The revised law omits "permanent" and  
28 "other than initial permanent directors" as  
29 unnecessary because, as used in the revised law,  
30 "director" refers to a permanent director other than  
31 an initial permanent director.

32 (2) Sections 4.07(b) and (c), Chapter 791, Acts  
33 of the 74th Legislature, Regular Session, 1995, refer  
34 to the temporary directors and the initial permanent  
35 directors. The revised law omits as executed the  
36 references to temporary directors and initial  
37 permanent directors. The omitted law reads:

38 (b) Temporary directors serve until  
39 initial permanent directors are elected  
40 under Section 4.09 of this article.

1 (c) Initial permanent directors  
2 serve until permanent directors are elected  
3 under Section 4.10 of this article.

4 (3) Section 4.07(e), Chapter 791, Acts of the  
5 74th Legislature, Regular Session, 1995, requires a  
6 director to qualify to serve in the manner provided by  
7 Section 54.025 or 54.116, Water Code. The revised law  
8 omits the reference to Section 54.025, Water Code, as  
9 executed, because that section refers to the  
10 qualification of a temporary director. The revised law  
11 omits the reference to Section 54.116, Water Code,  
12 because that section was repealed by Chapter 715, Acts  
13 of the 74th Legislature, Regular Session, 1995.  
14 Chapter 715 also enacted Section 49.055, Water Code,  
15 which contains the qualification procedures for a  
16 director of a municipal utility district. A reference  
17 to Section 49.055, Water Code, is unnecessary because  
18 that section applies to the district under Sections  
19 49.001 and 49.002, Water Code. The omitted law reads:

20 (e) Each director must qualify to  
21 serve as director in the manner provided by  
22 Section 54.025 or 54.116, Water Code, as  
23 appropriate.

24 (4) Section 4.07(f), Chapter 791, Acts of the  
25 74th Legislature, Regular Session, 1995, provides that  
26 a director serves until a successor has qualified. The  
27 revised law omits the provision as unnecessary because  
28 it duplicates Section 17, Article XVI, Texas  
29 Constitution. That section requires an officer in  
30 this state to continue to perform the officer's duties  
31 until the successor has qualified. The omitted law  
32 reads:

33 (f) A director serves until the  
34 director's successor has qualified.

35 Revisor's Note  
36 (End of Subchapter)

37 (1) Section 4.08, Chapter 791, Acts of the 74th  
38 Legislature, Regular Session, 1995, names and provides

1 for the qualification of and for filling vacancies on  
2 the temporary board of directors. The revised law  
3 omits that section as executed. The omitted law reads:

4 Sec. 4.08. (a) The temporary board  
5 of directors is composed of:

- 6 (1) John Pigg
- 7 (2) Clark Matheney
- 8 (3) William F. Burrow, Jr.
- 9 (4) William S. Norman, Sr.
- 10 (5) Bill Parkhouse

11 (b) If a temporary director fails to  
12 qualify for office, the temporary directors  
13 who have qualified shall appoint a person to  
14 fill the vacancy. If at any time there are  
15 fewer than three qualified temporary  
16 directors, the commission shall appoint the  
17 necessary number of persons to fill all  
18 vacancies on the board.

19 (2) Section 4.09, Chapter 791, Acts of the 74th  
20 Legislature, Regular Session, 1995, provides for the  
21 "temporary" board to conduct an election for the  
22 district's initial elected board and to confirm the  
23 district's creation. The revised law omits the section  
24 as executed. The omitted law reads:

25 Sec. 4.09. (a) The temporary board  
26 of directors shall call and hold an election  
27 to confirm establishment of the district  
28 and to elect five initial directors as  
29 provided by Chapter 54, Water Code.

30 (b) Subsection (a), Section 41.001,  
31 Election Code, does not apply to a  
32 confirmation election held as provided by  
33 this section.

34 (3) Section 4.10, Chapter 791, Acts of the 74th  
35 Legislature, Regular Session, 1995, provides that on  
36 the first Saturday in May of the fourth year after the  
37 district's confirmation election, the district shall  
38 hold a directors' election to elect directors with  
39 staggered terms and shall hold subsequent elections  
40 for directors every second year afterwards on the same  
41 date. The district was confirmed in an election held  
42 in November 1995, so the provisions in Section 4.10, if  
43 effective, would result in biennial elections  
44 beginning on the first Saturday in May 1999.

45 The revised law omits those provisions as

1 superseded by the 1995 enactment of Section 49.103,  
2 Water Code, applicable to the district under Sections  
3 49.001, 49.002, and 49.103(e), Water Code. Section  
4 49.103(b), Water Code, requires the election of the  
5 appropriate number of directors to be held on the  
6 uniform election date in May of even-numbered years.  
7 Section 49.103(e), Water Code, provides that the  
8 provisions of Section 49.103(b) take precedence over  
9 all prior statutory enactments. Section 49.103, Water  
10 Code, was enacted by Chapter 715, Acts of the 74th  
11 Legislature, Regular Session, 1995, the same session  
12 as the source law, Chapter 791. The date of enactment  
13 is the date on which the last legislative vote is taken  
14 on the bill enacting the statute. The last legislative  
15 vote on Chapter 715 was taken May 25, 1995. The last  
16 legislative vote on Chapter 791 was taken May 24, 1995.  
17 Accordingly, Section 49.103(b) prevails over Section  
18 4.10, Chapter 791, Acts of the 74th Legislature,  
19 Regular Session, 1995. In addition, Section 50(b) of  
20 Chapter 715, Acts of the 74th Legislature, Regular  
21 Session, 1995, expressly stated that Section  
22 49.103(b), Water Code, governed all elections held  
23 after December 31, 1995, and provided specific  
24 election dates necessary to implement the required  
25 transition.

26 It should be noted that additional statutes  
27 enacted after 1995 may also have affected the date on  
28 which the district conducts directors' elections. For  
29 example, Section 41.0052(a), Election Code, as amended  
30 by Chapter 1318, Acts of the 82nd Legislature, Regular  
31 Session, 2011, permitted political subdivisions other  
32 than counties to change the date of elections to the  
33 November uniform election date.

34 The omitted law reads:

1           Sec. 4.10. On the first Saturday in  
2           May of the fourth year after the year in  
3           which the confirmation election is held, an  
4           election shall be held in the district for  
5           the election of two directors who shall each  
6           serve two-year terms and three directors  
7           who shall serve four-year terms.  
8           Thereafter, on the same date in each  
9           subsequent second year, the appropriate  
10          number of directors shall be elected to the  
11          board.

12           [Sections 8398.052-8398.100 reserved for expansion]

13                           SUBCHAPTER C. POWERS AND DUTIES

14   Revised Law

15           Sec. 8398.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
16           DUTIES. The district has the rights, powers, privileges,  
17           functions, and duties provided by general law applicable to a  
18           municipal utility district created under Section 59, Article XVI,  
19           Texas Constitution, including Chapters 49, 50, and 54, Water Code.  
20           (Acts 74th Leg., R.S., Ch. 791, Sec. 4.06(a) (part).)

21   Source Law

22           Sec. 4.06. (a) The district has all of the  
23           rights, powers, privileges, authority, functions, and  
24           duties provided by the general law of this state,  
25           including Chapters 50 and 54, Water Code, applicable  
26           to municipal utility districts created under Section  
27           59, Article XVI, Texas Constitution. . . .

28   Revisor's Note

29           (1) Section 4.06(a), Chapter 791, Acts of the  
30           74th Legislature, Regular Session, 1995, refers to the  
31           "rights, powers, privileges, [and] authority" of the  
32           district. The revised law omits "authority" because,  
33           in context, "authority" is included in the meaning of  
34           "rights, powers, [and] privileges."

35           (2) Section 4.06(a), Chapter 791, Acts of the  
36           74th Legislature, Regular Session, 1995, refers to  
37           Chapters 50 and 54, Water Code. For the reader's  
38           convenience, the revised law adds a reference to  
39           Chapter 49, Water Code, because Chapter 715, Acts of  
40           the 74th Legislature, Regular Session, 1995, repealed  
41           most of the provisions of Chapter 50 and many  
42           provisions of Chapter 54 and enacted similar

1 provisions in Chapter 49, Water Code. Chapter 49  
2 applies to municipal utility districts under Sections  
3 49.001 and 49.002, Water Code.

4 (3) Section 4.06(a), Chapter 791, Acts of the  
5 74th Legislature, Regular Session, 1995, provides that  
6 the article prevails over general law in case of a  
7 conflict or other inconsistency. The revised law  
8 omits the provision because it duplicates Section  
9 311.026, Government Code (Code Construction Act). The  
10 omitted law reads:

11 (a) . . . This article prevails over  
12 any provision of general law that is in  
13 conflict or inconsistent with this article.

14 (4) Section 4.06(b), Chapter 791, Acts of the  
15 74th Legislature, Regular Session, 1995, refers to the  
16 continuing supervision exercised by the "commission,"  
17 defined in Section 4.02, Chapter 791, Acts of the 74th  
18 Legislature, Regular Session, 1995, as the Texas  
19 Natural Resource Conservation Commission. The revised  
20 law omits the provision because the Texas Commission  
21 on Environmental Quality is the successor to the Texas  
22 Natural Resource Conservation Commission and  
23 therefore the provision duplicates, in substance, part  
24 of Section 12.081, Water Code, which is a general law  
25 that applies to the district. The name of the Texas  
26 Natural Resource Conservation Commission was changed  
27 to the Texas Commission on Environmental Quality by  
28 Section 18.01, Chapter 965, Acts of the 77th  
29 Legislature, Regular Session, 2001. The omitted law  
30 reads:

31 (b) The rights, powers, privileges,  
32 authority, functions, and duties of the  
33 district are subject to the continuing  
34 right of supervision of the state to be  
35 exercised by and through the commission.

36 [Sections 8398.102-8398.150 reserved for expansion]

1 SUBCHAPTER D. MUNICIPAL ANNEXATION

2 Revised Law

3 Sec. 8398.151. ANNEXATION BY MUNICIPALITY. A municipality  
4 may annex the district on the earlier of:

5 (1) the installation of 90 percent of all works,  
6 improvements, facilities, plants, equipment, and appliances  
7 necessary and adequate to:

8 (A) provide service to the proposed development  
9 within the district;

10 (B) accomplish the purposes for which the  
11 district was created; and

12 (C) exercise the powers provided by general law  
13 and this chapter; or

14 (2) the 20th anniversary of the date the district was  
15 confirmed. (Acts 74th Leg., R.S., Ch. 791, Sec. 4.12.)

16 Source Law

17 Sec. 4.12. The district may be annexed by a  
18 municipality only after:

19 (1) the installation of 90 percent of all  
20 works, improvements, facilities, plants, equipment,  
21 and appliances necessary and adequate to:

22 (A) provide service to the proposed  
23 development within the district;

24 (B) accomplish the purposes for which  
25 the district was created; and

26 (C) exercise the powers provided by  
27 the general law of this state and this article; or

28 (2) the expiration of 20 years from the  
29 date the district was confirmed, whichever occurs  
30 first.

31 Revised Law

32 Sec. 8398.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION. If  
33 a municipality in whose extraterritorial jurisdiction the district  
34 is located annexes the district for full or limited purposes and the  
35 annexation precludes or impairs the ability of the district to  
36 issue bonds, the municipality shall:

37 (1) simultaneously with the annexation, pay in cash to  
38 the landowner or developer of the district a sum equal to all actual  
39 costs and expenses incurred by the landowner or developer in  
40 connection with the district that:

41 (A) the district has agreed in writing to pay;

1 and

2 (B) would otherwise have been eligible for  
3 reimbursement from bond proceeds under the rules and requirements  
4 of the commission as those rules and requirements exist on the date  
5 of annexation; and

6 (2) after the annexation, install all necessary water,  
7 wastewater, and drainage facilities to serve full buildout of  
8 development within the district. (Acts 74th Leg., R.S., Ch. 791,  
9 Sec. 4.13.)

10 Source Law

11 Sec. 4.13. If a municipality in whose  
12 extraterritorial jurisdiction the district is located  
13 annexes the district for full or limited purposes and  
14 the annexation precludes or impairs the ability of the  
15 district to issue bonds, the municipality shall,  
16 simultaneously with the annexation, pay in cash to the  
17 landowner or developer of the district a sum equal to  
18 all actual costs and expenses incurred by the  
19 landowner or developer in connection with the district  
20 that the district has, in writing, agreed to pay and  
21 that would otherwise have been eligible for  
22 reimbursement from bond proceeds under the rules and  
23 requirements of the commission as such rules and  
24 requirements exist on the date of annexation. The  
25 municipality shall further be required to install  
26 after annexation all necessary water, wastewater, and  
27 drainage facilities to serve full buildout of  
28 development within the district.

29 Revisor's Note  
30 (End of Chapter)

31 Section 8.01, Chapter 791, Acts of the 74th  
32 Legislature, Regular Session, 1995, provides that the  
33 notice, introduction, and passage of the act satisfied  
34 the requirements of the Texas Constitution, other laws  
35 of this state, and rules and procedures of the  
36 legislature. Section 8.01 also provides that the Texas  
37 Natural Resource Conservation Commission timely filed  
38 recommendations relating to the act. The revised law  
39 omits those provisions as executed. The omitted law  
40 reads:

41 Sec. 8.01. (a) The proper and legal  
42 notice of the intention to introduce this  
43 Act, setting forth the general substance of  
44 this Act, has been published as provided by  
45 law, and the notice and a copy of this Act  
46 have been furnished to all persons,

1 agencies, officials, or entities to which  
2 they are required to be furnished by the  
3 constitution and other laws of this state,  
4 including the governor, who has submitted  
5 the notice and Act to the Texas Natural  
6 Resource Conservation Commission.

7 (b) The Texas Natural Resource  
8 Conservation Commission has filed its  
9 recommendations relating to this Act with  
10 the governor, lieutenant governor, and  
11 speaker of the house of representatives  
12 within the required time.

13 (c) All requirements of the  
14 constitution and laws of this state and the  
15 rules and procedures of the legislature  
16 with respect to the notice, introduction,  
17 and passage of this Act are fulfilled and  
18 accomplished.

19 CHAPTER 8399. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 7

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 8399.001. DEFINITIONS . . . . . 843  
22 Sec. 8399.002. NATURE OF DISTRICT . . . . . 844  
23 Sec. 8399.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 845  
24 Sec. 8399.004. DISTRICT TERRITORY . . . . . 845  
25 Sec. 8399.005. PROHIBITION AGAINST IMPAIRMENT OF  
26 DISTRICT . . . . . 847

27 [Sections 8399.006-8399.050 reserved for expansion]

28 SUBCHAPTER B. BOARD OF DIRECTORS

29 Sec. 8399.051. COMPOSITION OF BOARD; TERMS . . . . . 847

30 [Sections 8399.052-8399.100 reserved for expansion]

31 SUBCHAPTER C. POWERS AND DUTIES

32 Sec. 8399.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
33 DUTIES . . . . . 851

34 [Sections 8399.102-8399.150 reserved for expansion]

35 SUBCHAPTER D. MUNICIPAL ANNEXATION

36 Sec. 8399.151. ANNEXATION BY MUNICIPALITY . . . . . 853  
37 Sec. 8399.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION . . . 854

38 CHAPTER 8399. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 7

39 SUBCHAPTER A. GENERAL PROVISIONS

40 Revised Law

41 Sec. 8399.001. DEFINITIONS. In this chapter:

42 (1) "Board" means the district's board of directors.

43 (2) "Commission" means the Texas Commission on

1 Environmental Quality.

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

3 (4) "District" means the Travis County Municipal  
4 Utility District No. 7. (Acts 74th Leg., R.S., Ch. 791, Sec. 5.02;  
5 New.)

6 Source Law

7 Sec. 5.02. In this article:

8 (1) "Commission" means the Texas Natural  
9 Resource Conservation Commission.

10 (2) "District" means Travis County  
11 Municipal Utility District No. 7.

12 Revisor's Note

13 (1) Section 5.02(1), Chapter 791, Acts of the  
14 74th Legislature, Regular Session, 1995, defines  
15 "commission" as the "Texas Natural Resource  
16 Conservation Commission." The name of the Texas  
17 Natural Resource Conservation Commission was changed  
18 to the Texas Commission on Environmental Quality by  
19 Section 18.01, Chapter 965, Acts of the 77th  
20 Legislature, Regular Session, 2001. The revised law  
21 is drafted accordingly.

22 (2) The definitions of "board" and "director"  
23 are added to the revised law for drafting convenience.

24 Revised Law

25 Sec. 8399.002. NATURE OF DISTRICT. The district is a  
26 conservation and reclamation district in Travis County created  
27 under Section 59, Article XVI, Texas Constitution. (Acts 74th  
28 Leg., R.S., Ch. 791, Secs. 5.01(a) (part), (b) (part).)

29 Source Law

30 Sec. 5.01. (a) A conservation and reclamation  
31 district, to be known as Travis County Municipal  
32 Utility District No. 7, is created in Travis County,  
33 . . . .

34 (b) The district is created under and . . .  
35 Section 59, Article XVI, Texas Constitution.

36 Revisor's Note

37 (1) Section 5.01(a), Chapter 791, Acts of the  
38 74th Legislature, Regular Session, 1995, refers to a  
39 confirmation election. Because the confirmation

1 election has already been held, the revised law omits  
2 the provision as executed. The omitted law reads:

3 (a) . . . subject to approval at a  
4 confirmation election under Section 5.09 of  
5 this article. . . .

6 (2) Section 5.01(a), Chapter 791, Acts of the  
7 74th Legislature, Regular Session, 1995, provides that  
8 the district is a governmental agency and a body  
9 politic and corporate. The revised law omits the  
10 provision because it duplicates a portion of Section  
11 59(b), Article XVI, Texas Constitution, which provides  
12 that a conservation and reclamation district is a  
13 governmental agency and a body politic and corporate.  
14 The omitted law reads:

15 (a) . . . The district is a  
16 governmental agency and a body politic and  
17 corporate.

18 Revised Law

19 Sec. 8399.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
20 The district is created to serve a public use and benefit.

21 (b) All land and other property included in the district  
22 will benefit from the works and projects accomplished by the  
23 district under the powers conferred by Section 59, Article XVI,  
24 Texas Constitution.

25 (c) The creation of the district is essential to accomplish  
26 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
27 74th Leg., R.S., Ch. 791, Secs. 5.01(b) (part), 5.05.)

28 Source Law

29 [Sec. 5.01]

30 (b) [The district is created under and] is  
31 essential to accomplish the purposes of Section 59,  
32 Article XVI, Texas Constitution.

33 Sec. 5.05. All of the land and other property  
34 included within the boundaries of the district will be  
35 benefited by the works and projects that are to be  
36 accomplished by the district under the powers  
37 conferred by Section 59, Article XVI, Texas  
38 Constitution. The district is created to serve a  
39 public use and benefit.

40 Revised Law

41 Sec. 8399.004. DISTRICT TERRITORY. (a) The district is

1 composed of the territory described by Section 5.03, Chapter 791,  
2 Acts of the 74th Legislature, Regular Session, 1995, as that  
3 territory may have been modified under:

- 4 (1) Subchapter H, Chapter 54, Water Code;
- 5 (2) Subchapter J, Chapter 49, Water Code; or
- 6 (3) other law.

7 (b) The boundaries and field notes of the district form a  
8 closure. A mistake in the field notes or in copying the field notes  
9 in the legislative process does not affect:

- 10 (1) the district's organization, existence, or  
11 validity;
- 12 (2) the district's right to impose a tax; or
- 13 (3) the legality or operation of the district or its  
14 governing body. (Acts 74th Leg., R.S., Ch. 791, Sec. 5.04; New.)

15 Source Law

16 Sec. 5.04. The legislature finds that the  
17 boundaries and field notes of the district form a  
18 closure. A mistake in the field notes or in copying the  
19 field notes in the legislative process does not affect  
20 the organization, existence, or validity of the  
21 district, the right of the district to levy and collect  
22 taxes, or the legality or operation of the district or  
23 its governing body.

24 Revisor's Note

25 (1) The revision of the law governing the  
26 district does not revise the statutory language  
27 describing the territory of the district to avoid the  
28 lengthy recitation of the description and because that  
29 description may not be accurate on the effective date  
30 of the revision or at the time of a later reading. For  
31 the reader's convenience, the revised law includes  
32 references to the statutory description of the  
33 district's territory and to the authority to change the  
34 district's territory under Subchapter H, Chapter 54,  
35 Water Code, applicable to municipal utility districts,  
36 and under Subchapter J, Chapter 49, Water Code,  
37 applicable to the district under Sections 49.001 and  
38 49.002 of that chapter. The revised law also includes

1 a reference to the general authority of the  
2 legislature to enact a law to change the district's  
3 territory.

4 (2) Section 5.04, Chapter 791, Acts of the 74th  
5 Legislature, Regular Session, 1995, refers to the  
6 district's authority to "levy and collect" taxes. The  
7 revised law substitutes "impose" for "levy and  
8 collect" because "impose" is the term generally used  
9 in Title 1, Tax Code, and includes the levy and  
10 collection of a tax.

11 Revised Law

12 Sec. 8399.005. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.  
13 A municipality in whose extraterritorial jurisdiction the district  
14 is located may not take any action, including passing an ordinance  
15 or resolution, that:

16 (1) impairs the district's ability to exercise the  
17 district's powers under this chapter; or

18 (2) limits the district's ability to finance,  
19 construct, or operate the district's water, wastewater, or drainage  
20 systems. (Acts 74th Leg., R.S., Ch. 791, Sec. 5.11.)

21 Source Law

22 Sec. 5.11. No municipality in whose  
23 extraterritorial jurisdiction the district is located  
24 shall pass any ordinances or resolutions or otherwise  
25 take any actions which impair the ability of the  
26 district to exercise its powers under this article or  
27 which would limit the ability of the district to  
28 finance, construct, or operate its water, wastewater,  
29 or drainage systems.

30 [Sections 8399.006-8399.050 reserved for expansion]

31 SUBCHAPTER B. BOARD OF DIRECTORS

32 Revised Law

33 Sec. 8399.051. COMPOSITION OF BOARD; TERMS. (a) The  
34 district is governed by a board of five directors.

35 (b) Directors serve staggered four-year terms. (Acts 74th  
36 Leg., R.S., Ch. 791, Secs. 5.07(a), (d).)

37 Source Law

38 Sec. 5.07. (a) The district is governed by a

1 board of five directors.

2 (d) Permanent directors other than initial  
3 permanent directors serve staggered four-year terms.

4 Revisor's Note

5 (1) Section 5.07(d), Chapter 791, Acts of the  
6 74th Legislature, Regular Session, 1995, refers to  
7 "[p]ermanent directors other than initial permanent  
8 directors." The revised law omits "permanent" and  
9 "other than initial permanent directors" as  
10 unnecessary because, as used in the revised law,  
11 "director" refers to a permanent director other than  
12 an initial permanent director.

13 (2) Sections 5.07(b) and (c), Chapter 791, Acts  
14 of the 74th Legislature, Regular Session, 1995, refer  
15 to the temporary directors and the initial permanent  
16 directors. The revised law omits as executed the  
17 references to temporary directors and initial  
18 permanent directors. The omitted law reads:

19 (b) Temporary directors serve until  
20 initial permanent directors are elected  
21 under Section 5.09 of this article.

22 (c) Initial permanent directors  
23 serve until permanent directors are elected  
24 under Section 5.10 of this article.

25 (3) Section 5.07(e), Chapter 791, Acts of the  
26 74th Legislature, Regular Session, 1995, requires a  
27 director to qualify to serve in the manner provided by  
28 Section 54.025 or 54.116, Water Code. The revised law  
29 omits the reference to Section 54.025, Water Code, as  
30 executed, because that section refers to the  
31 qualification of a temporary director. The revised law  
32 omits the reference to Section 54.116, Water Code,  
33 because that section was repealed by Chapter 715, Acts  
34 of the 74th Legislature, Regular Session, 1995.  
35 Chapter 715 also enacted Section 49.055, Water Code,  
36 which contains the qualification procedures for a  
37 director of a municipal utility district. A reference  
38 to Section 49.055, Water Code, is unnecessary because

1 that section applies to the district under Sections  
2 49.001 and 49.002, Water Code. The omitted law reads:

3 (e) Each director must qualify to  
4 serve as director in the manner provided by  
5 Section 54.025 or 54.116, Water Code, as  
6 appropriate.

7 (4) Section 5.07(f), Chapter 791, Acts of the  
8 74th Legislature, Regular Session, 1995, provides that  
9 a director serves until a successor has qualified. The  
10 revised law omits the provision as unnecessary because  
11 it duplicates Section 17, Article XVI, Texas  
12 Constitution. That section requires an officer in  
13 this state to continue to perform the officer's duties  
14 until the successor has qualified. The omitted law  
15 reads:

16 (f) A director serves until the  
17 director's successor has qualified.

18 Revisor's Note  
19 (End of Subchapter)

20 (1) Section 5.08, Chapter 791, Acts of the 74th  
21 Legislature, Regular Session, 1995, names and provides  
22 for the qualification of and for filling vacancies on  
23 the temporary board of directors. The revised law  
24 omits that section as executed. The omitted law reads:

25 Sec. 5.08. (a) The temporary board  
26 of directors is composed of:

- 27 (1) Mark Powell
- 28 (2) Jay Hanna
- 29 (3) Bill Dukes
- 30 (4) Clark Wilson
- 31 (5) Bill Davis

32 (b) If a temporary director fails to  
33 qualify for office, the temporary directors  
34 who have qualified shall appoint a person to  
35 fill the vacancy. If at any time there are  
36 fewer than three qualified temporary  
37 directors, the commission shall appoint the  
38 necessary number of persons to fill all  
39 vacancies on the board.

40 (2) Section 5.09, Chapter 791, Acts of the 74th  
41 Legislature, Regular Session, 1995, provides for the  
42 "temporary" board to conduct an election for the  
43 district's initial elected board and to confirm the  
44 district's creation. The revised law omits the section

1 as executed. The omitted law reads:

2 Sec. 5.09. (a) The temporary board  
3 of directors shall call and hold an election  
4 to confirm establishment of the district  
5 and to elect five initial directors as  
6 provided by Chapter 54, Water Code.

7 (b) Subsection (a), Section 41.001,  
8 Election Code, does not apply to a  
9 confirmation election held as provided by  
10 this section.

11 (3) Section 5.10, Chapter 791, Acts of the 74th  
12 Legislature, Regular Session, 1995, provides that on  
13 the first Saturday in May of the fourth year after the  
14 district's confirmation election, the district shall  
15 hold a directors' election to elect directors with  
16 staggered terms and shall hold subsequent elections  
17 for directors every second year afterwards on the same  
18 date. The district was confirmed in an election held in  
19 November 1995, so the provisions in Section 5.10, if  
20 effective, would result in biennial elections  
21 beginning on the first Saturday in May 1999.

22 The revised law omits those provisions as  
23 superseded by the 1995 enactment of Section 49.103,  
24 Water Code, applicable to the district under Sections  
25 49.001, 49.002, and 49.103(e), Water Code. Section  
26 49.103(b), Water Code, requires the election of the  
27 appropriate number of directors to be held on the  
28 uniform election date in May of even-numbered years.  
29 Section 49.103(e), Water Code, provides that the  
30 provisions of Section 49.103(b) take precedence over  
31 all prior statutory enactments. Section 49.103, Water  
32 Code, was enacted by Chapter 715, Acts of the 74th  
33 Legislature, Regular Session, 1995, the same session  
34 as the source law, Chapter 791. The date of enactment  
35 is the date on which the last legislative vote is taken  
36 on the bill enacting the statute. The last legislative  
37 vote on Chapter 715 was taken May 25, 1995. The last  
38 legislative vote on Chapter 791 was taken May 24, 1995.

1 Accordingly, Section 49.103(b) prevails over Section  
2 5.10, Chapter 791, Acts of the 74th Legislature,  
3 Regular Session, 1995. In addition, Section 50(b) of  
4 Chapter 715, Acts of the 74th Legislature, Regular  
5 Session, 1995, expressly stated that Section  
6 49.103(b), Water Code, governed all elections held  
7 after December 31, 1995, and provided specific  
8 election dates necessary to implement the required  
9 transition.

10 It should be noted that additional statutes  
11 enacted after 1995 may also have affected the date on  
12 which the district conducts directors' elections. For  
13 example, Section 41.0052(a), Election Code, as amended  
14 by Chapter 1318, Acts of the 82nd Legislature, Regular  
15 Session, 2011, permitted political subdivisions other  
16 than counties to change the date of elections to the  
17 November uniform election date.

18 The omitted law reads:

19 Sec. 5.10. On the first Saturday in  
20 May of the fourth year after the year in  
21 which the confirmation election is held, an  
22 election shall be held in the district for  
23 the election of two directors who shall each  
24 serve two-year terms and three directors  
25 who shall serve four-year terms.  
26 Thereafter, on the same date in each  
27 subsequent second year, the appropriate  
28 number of directors shall be elected to the  
29 board.

30 [Sections 8399.052-8399.100 reserved for expansion]

31 SUBCHAPTER C. POWERS AND DUTIES

32 Revised Law

33 Sec. 8399.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
34 DUTIES. The district has the rights, powers, privileges,  
35 functions, and duties provided by general law applicable to a  
36 municipal utility district created under Section 59, Article XVI,  
37 Texas Constitution, including Chapters 49, 50, and 54, Water Code.  
38 (Acts 74th Leg., R.S., Ch. 791, Sec. 5.06(a) (part).)



1 defined in Section 5.02, Chapter 791, Acts of the 74th  
2 Legislature, Regular Session, 1995, as the Texas  
3 Natural Resource Conservation Commission. The revised  
4 law omits the provision because the Texas Commission  
5 on Environmental Quality is the successor to the Texas  
6 Natural Resource Conservation Commission and  
7 therefore the provision duplicates, in substance, part  
8 of Section 12.081, Water Code, which is a general law  
9 that applies to the district. The name of the Texas  
10 Natural Resource Conservation Commission was changed  
11 to the Texas Commission on Environmental Quality by  
12 Section 18.01, Chapter 965, Acts of the 77th  
13 Legislature, Regular Session, 2001. The omitted law  
14 reads:

15 (b) The rights, powers, privileges,  
16 authority, functions, and duties of the  
17 district are subject to the continuing  
18 right of supervision of the state to be  
19 exercised by and through the commission.

20 [Sections 8399.102-8399.150 reserved for expansion]

21 SUBCHAPTER D. MUNICIPAL ANNEXATION

22 Revised Law

23 Sec. 8399.151. ANNEXATION BY MUNICIPALITY. A municipality  
24 may annex the district on the earlier of:

25 (1) the installation of 90 percent of all works,  
26 improvements, facilities, plants, equipment, and appliances  
27 necessary and adequate to:

28 (A) provide service to the proposed development  
29 within the district;

30 (B) accomplish the purposes for which the  
31 district was created; and

32 (C) exercise the powers provided by general law  
33 and this chapter; or

34 (2) the 20th anniversary of the date the district was  
35 confirmed. (Acts 74th Leg., R.S., Ch. 791, Sec. 5.12.)



1 that the district has, in writing, agreed to pay and  
2 that would otherwise have been eligible for  
3 reimbursement from bond proceeds under the rules and  
4 requirements of the commission as such rules and  
5 requirements exist on the date of annexation. The  
6 municipality shall further be required to install  
7 after annexation all necessary water, wastewater, and  
8 drainage facilities to serve full buildout of  
9 development within the district.

10 Revisor's Note  
11 (End of Chapter)

12 Section 8.01, Chapter 791, Acts of the 74th  
13 Legislature, Regular Session, 1995, provides that the  
14 notice, introduction, and passage of the act satisfied  
15 the requirements of the Texas Constitution, other laws  
16 of this state, and rules and procedures of the  
17 legislature. Section 8.01 also provides that the Texas  
18 Natural Resource Conservation Commission timely filed  
19 recommendations relating to the act. The revised law  
20 omits those provisions as executed. The omitted law  
21 reads:

22 Sec. 8.01. (a) The proper and legal  
23 notice of the intention to introduce this  
24 Act, setting forth the general substance of  
25 this Act, has been published as provided by  
26 law, and the notice and a copy of this Act  
27 have been furnished to all persons,  
28 agencies, officials, or entities to which  
29 they are required to be furnished by the  
30 constitution and other laws of this state,  
31 including the governor, who has submitted  
32 the notice and Act to the Texas Natural  
33 Resource Conservation Commission.

34 (b) The Texas Natural Resource  
35 Conservation Commission has filed its  
36 recommendations relating to this Act with  
37 the governor, lieutenant governor, and  
38 speaker of the house of representatives  
39 within the required time.

40 (c) All requirements of the  
41 constitution and laws of this state and the  
42 rules and procedures of the legislature  
43 with respect to the notice, introduction,  
44 and passage of this Act are fulfilled and  
45 accomplished.

46 CHAPTER 8400. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 8

47 SUBCHAPTER A. GENERAL PROVISIONS

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14 CHAPTER 8400. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 8

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Revised Law

17 Sec. 8400.001. DEFINITIONS. In this chapter:

- 18 (1) "Board" means the district's board of directors.
- 19 (2) "Commission" means the Texas Commission on  
20 Environmental Quality.
- 21 (3) "Director" means a member of the board.
- 22 (4) "District" means the Travis County Municipal  
23 Utility District No. 8. (Acts 74th Leg., R.S., Ch. 791, Sec. 6.02;  
24 New.)

25 Source Law

26 Sec. 6.02. In this article:

- 27 (1) "Commission" means the Texas Natural  
28 Resource Conservation Commission.
- 29 (2) "District" means Travis County  
30 Municipal Utility District No. 8.

31 Revisor's Note

32 (1) Section 6.02(1), Chapter 791, Acts of the  
33 74th Legislature, Regular Session, 1995, defines  
34 "commission" as the "Texas Natural Resource  
35 Conservation Commission." The name of the Texas  
36 Natural Resource Conservation Commission was changed

1 to the Texas Commission on Environmental Quality by  
2 Section 18.01, Chapter 965, Acts of the 77th  
3 Legislature, Regular Session, 2001. The revised law  
4 is drafted accordingly.

5 (2) The definitions of "board" and "director"  
6 are added to the revised law for drafting convenience.

7 Revised Law

8 Sec. 8400.002. NATURE OF DISTRICT. The district is a  
9 conservation and reclamation district in Travis County created  
10 under Section 59, Article XVI, Texas Constitution. (Acts 74th  
11 Leg., R.S., Ch. 791, Secs. 6.01(a) (part), (b) (part).)

12 Source Law

13 Sec. 6.01. (a) A conservation and reclamation  
14 district, to be known as Travis County Municipal  
15 Utility District No. 8, is created in Travis County,  
16 . . . .

17 (b) The district is created under and . . .  
18 Section 59, Article XVI, Texas Constitution.

19 Revisor's Note

20 (1) Section 6.01(a), Chapter 791, Acts of the  
21 74th Legislature, Regular Session, 1995, refers to a  
22 confirmation election. Because the confirmation  
23 election has already been held, the revised law omits  
24 the provision as executed. The omitted law reads:

25 (a) . . . subject to approval at a  
26 confirmation election under Section 6.09 of  
27 this article. . . .

28 (2) Section 6.01(a), Chapter 791, Acts of the  
29 74th Legislature, Regular Session, 1995, provides that  
30 the district is a governmental agency and a body  
31 politic and corporate. The revised law omits the  
32 provision because it duplicates a portion of Section  
33 59(b), Article XVI, Texas Constitution, which provides  
34 that a conservation and reclamation district is a  
35 governmental agency and a body politic and corporate.  
36 The omitted law reads:

37 (a) . . . The district is a  
38 governmental agency and a body politic and  
39 corporate.

1 Revised Law

2 Sec. 8400.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
3 The district is created to serve a public use and benefit.

4 (b) All land and other property included in the district  
5 will benefit from the works and projects accomplished by the  
6 district under the powers conferred by Section 59, Article XVI,  
7 Texas Constitution.

8 (c) The creation of the district is essential to accomplish  
9 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
10 74th Leg., R.S., Ch. 791, Secs. 6.01(b) (part), 6.05.)

11 Source Law

12 [Sec. 6.01]

13 (b) [The district is created under and] is  
14 essential to accomplish the purposes of Section 59,  
15 Article XVI, Texas Constitution.

16 Sec. 6.05. All of the land and other property  
17 included within the boundaries of the district will be  
18 benefited by the works and projects that are to be  
19 accomplished by the district under the powers  
20 conferred by Section 59, Article XVI, Texas  
21 Constitution. The district is created to serve a  
22 public use and benefit.

23 Revised Law

24 Sec. 8400.004. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Section 6.03, Chapter 791,  
26 Acts of the 74th Legislature, Regular Session, 1995, as that  
27 territory may have been modified under:

- 28 (1) Subchapter H, Chapter 54, Water Code;  
29 (2) Subchapter J, Chapter 49, Water Code; or  
30 (3) other law.

31 (b) The boundaries and field notes of the district form a  
32 closure. A mistake in the field notes or in copying the field notes  
33 in the legislative process does not affect:

- 34 (1) the district's organization, existence, or  
35 validity;  
36 (2) the district's right to impose a tax; or  
37 (3) the legality or operation of the district or its  
38 governing body. (Acts 74th Leg., R.S., Ch. 791, Sec. 6.04; New.)



1 or resolution, that:

2 (1) impairs the district's ability to exercise the  
3 district's powers under this chapter; or

4 (2) limits the district's ability to finance,  
5 construct, or operate the district's water, wastewater, or drainage  
6 systems. (Acts 74th Leg., R.S., Ch. 791, Sec. 6.11.)

7 Source Law

8 Sec. 6.11. No municipality in whose  
9 extraterritorial jurisdiction the district is located  
10 shall pass any ordinances or resolutions or otherwise  
11 take any actions which impair the ability of the  
12 district to exercise its powers under this article or  
13 which would limit the ability of the district to  
14 finance, construct, or operate its water, wastewater,  
15 or drainage systems.

16 [Sections 8400.006-8400.050 reserved for expansion]

17 SUBCHAPTER B. BOARD OF DIRECTORS

18 Revised Law

19 Sec. 8400.051. COMPOSITION OF BOARD; TERMS. (a) The  
20 district is governed by a board of five directors.

21 (b) Directors serve staggered four-year terms. (Acts 74th  
22 Leg., R.S., Ch. 791, Secs. 6.07(a), (d).)

23 Source Law

24 Sec. 6.07. (a) The district is governed by a  
25 board of five directors.

26 (d) Permanent directors other than initial  
27 permanent directors serve staggered four-year terms.

28 Revisor's Note

29 (1) Section 6.07(d), Chapter 791, Acts of the  
30 74th Legislature, Regular Session, 1995, refers to  
31 "[p]ermanent directors other than initial permanent  
32 directors." The revised law omits "permanent" and  
33 "other than initial permanent directors" as  
34 unnecessary because, as used in the revised law,  
35 "director" refers to a permanent director other than  
36 an initial permanent director.

37 (2) Sections 6.07(b) and (c), Chapter 791, Acts  
38 of the 74th Legislature, Regular Session, 1995, refer  
39 to the temporary directors and the initial permanent

1 directors. The revised law omits as executed the  
2 references to temporary directors and initial  
3 permanent directors. The omitted law reads:

4 (b) Temporary directors serve until  
5 initial permanent directors are elected  
6 under Section 6.09 of this article.

7 (c) Initial permanent directors  
8 serve until permanent directors are elected  
9 under Section 6.10 of this article.

10 (3) Section 6.07(e), Chapter 791, Acts of the  
11 74th Legislature, Regular Session, 1995, requires a  
12 director to qualify to serve in the manner provided by  
13 Section 54.025 or 54.116, Water Code. The revised law  
14 omits the reference to Section 54.025, Water Code, as  
15 executed, because that section refers to the  
16 qualification of a temporary director. The revised law  
17 omits the reference to Section 54.116, Water Code,  
18 because that section was repealed by Chapter 715, Acts  
19 of the 74th Legislature, Regular Session, 1995.  
20 Chapter 715 also enacted Section 49.055, Water Code,  
21 which contains the qualification procedures for a  
22 director of a municipal utility district. A reference  
23 to Section 49.055, Water Code, is unnecessary because  
24 that section applies to the district under Sections  
25 49.001 and 49.002, Water Code. The omitted law reads:

26 (e) Each director must qualify to  
27 serve as director in the manner provided by  
28 Section 54.025 or 54.116, Water Code, as  
29 appropriate.

30 (4) Section 6.07(f), Chapter 791, Acts of the  
31 74th Legislature, Regular Session, 1995, provides that  
32 a director serves until a successor has qualified. The  
33 revised law omits the provision as unnecessary because  
34 it duplicates Section 17, Article XVI, Texas  
35 Constitution. That section requires an officer in this  
36 state to continue to perform the officer's duties until  
37 the successor has qualified. The omitted law reads:

38 (f) A director serves until the  
39 director's successor has qualified.

1 Revisor's Note  
2 (End of Subchapter)

3 (1) Section 6.08, Chapter 791, Acts of the 74th  
4 Legislature, Regular Session, 1995, names and provides  
5 for the qualification of and for filling vacancies on  
6 the temporary board of directors. The revised law  
7 omits that section as executed. The omitted law reads:

8 Sec. 6.08. (a) The temporary board  
9 of directors is composed of:

- 10 (1) John Jansing  
11 (2) Mark Scott  
12 (3) Dick Obenhaus  
13 (4) Bill Skeen  
14 (5) Tom Nelson

15 (b) If a temporary director fails to  
16 qualify for office, the temporary directors  
17 who have qualified shall appoint a person to  
18 fill the vacancy. If at any time there are  
19 fewer than three qualified temporary  
20 directors, the commission shall appoint the  
21 necessary number of persons to fill all  
22 vacancies on the board.

23 (2) Section 6.09, Chapter 791, Acts of the 74th  
24 Legislature, Regular Session, 1995, provides for the  
25 "temporary" board to conduct an election for the  
26 district's initial elected board and to confirm the  
27 district's creation. The revised law omits the section  
28 as executed. The omitted law reads:

29 Sec. 6.09. (a) The temporary board  
30 of directors shall call and hold an election  
31 to confirm establishment of the district  
32 and to elect five initial directors as  
33 provided by Chapter 54, Water Code.

34 (b) Subsection (a), Section 41.001,  
35 Election Code, does not apply to a  
36 confirmation election held as provided by  
37 this section.

38 (3) Section 6.10, Chapter 791, Acts of the 74th  
39 Legislature, Regular Session, 1995, provides that on  
40 the first Saturday in May of the fourth year after the  
41 district's confirmation election, the district shall  
42 hold a directors' election to elect directors with  
43 staggered terms and shall hold subsequent elections  
44 for directors every second year afterwards on the same  
45 date. The district was confirmed in an election held  
46 in November 1995, so the provisions in Section 6.10, if

1 effective, would result in biennial elections  
2 beginning on the first Saturday in May 1999.

3 The revised law omits those provisions as  
4 superseded by the 1995 enactment of Section 49.103,  
5 Water Code, applicable to the district under Sections  
6 49.001, 49.002, and 49.103(e), Water Code. Section  
7 49.103(b), Water Code, requires the election of the  
8 appropriate number of directors to be held on the  
9 uniform election date in May of even-numbered years.  
10 Section 49.103(e), Water Code, provides that the  
11 provisions of Section 49.103(b) take precedence over  
12 all prior statutory enactments. Section 49.103, Water  
13 Code, was enacted by Chapter 715, Acts of the 74th  
14 Legislature, Regular Session, 1995, the same session  
15 as the source law, Chapter 791. The date of enactment  
16 is the date on which the last legislative vote is taken  
17 on the bill enacting the statute. The last legislative  
18 vote on Chapter 715 was taken May 25, 1995. The last  
19 legislative vote on Chapter 791 was taken May 24, 1995.  
20 Accordingly, Section 49.103(b) prevails over Section  
21 6.10, Chapter 791, Acts of the 74th Legislature,  
22 Regular Session, 1995. In addition, Section 50(b) of  
23 Chapter 715, Acts of the 74th Legislature, Regular  
24 Session, 1995, expressly stated that Section  
25 49.103(b), Water Code, governed all elections held  
26 after December 31, 1995, and provided specific  
27 election dates necessary to implement the required  
28 transition.

29 It should be noted that additional statutes  
30 enacted after 1995 may also have affected the date on  
31 which the district conducts directors' elections. For  
32 example, Section 41.0052(a), Election Code, as amended  
33 by Chapter 1318, Acts of the 82nd Legislature, Regular  
34 Session, 2011, permitted political subdivisions other

1 than counties to change the date of elections to the  
2 November uniform election date.

3 The omitted law reads:

4 Sec. 6.10. On the first Saturday in  
5 May of the fourth year after the year in  
6 which the confirmation election is held, an  
7 election shall be held in the district for  
8 the election of two directors who shall each  
9 serve two-year terms and three directors  
10 who shall serve four-year terms.  
11 Thereafter, on the same date in each  
12 subsequent second year, the appropriate  
13 number of directors shall be elected to the  
14 board.

15 [Sections 8400.052-8400.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Revised Law

18 Sec. 8400.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
19 DUTIES. The district has the rights, powers, privileges,  
20 functions, and duties provided by general law applicable to a  
21 municipal utility district created under Section 59, Article XVI,  
22 Texas Constitution, including Chapters 49, 50, and 54, Water Code.  
23 (Acts 74th Leg., R.S., Ch. 791, Sec. 6.06(a) (part).)

24 Source Law

25 Sec. 6.06. (a) The district has all of the  
26 rights, powers, privileges, authority, functions, and  
27 duties provided by the general law of this state,  
28 including Chapters 50 and 54, Water Code, applicable  
29 to municipal utility districts created under Section  
30 59, Article XVI, Texas Constitution. . . .

31 Revisor's Note

32 (1) Section 6.06(a), Chapter 791, Acts of the  
33 74th Legislature, Regular Session, 1995, refers to the  
34 "rights, powers, privileges, [and] authority" of the  
35 district. The revised law omits "authority" because,  
36 in context, "authority" is included in the meaning of  
37 "rights, powers, [and] privileges."

38 (2) Section 6.06(a), Chapter 791, Acts of the  
39 74th Legislature, Regular Session, 1995, refers to  
40 Chapters 50 and 54, Water Code. For the reader's  
41 convenience, the revised law adds a reference to  
42 Chapter 49, Water Code, because Chapter 715, Acts of

1 the 74th Legislature, Regular Session, 1995, repealed  
2 most of the provisions of Chapter 50 and many  
3 provisions of Chapter 54 and enacted similar  
4 provisions in Chapter 49, Water Code. Chapter 49  
5 applies to municipal utility districts under Sections  
6 49.001 and 49.002, Water Code.

7 (3) Section 6.06(a), Chapter 791, Acts of the  
8 74th Legislature, Regular Session, 1995, provides that  
9 the article prevails over general law in case of a  
10 conflict or other inconsistency. The revised law  
11 omits the provision because it duplicates Section  
12 311.026, Government Code (Code Construction Act). The  
13 omitted law reads:

14 (a) . . . This article prevails over  
15 any provision of general law that is in  
16 conflict or inconsistent with this article.

17 (4) Section 6.06(b), Chapter 791, Acts of the  
18 74th Legislature, Regular Session, 1995, refers to the  
19 continuing supervision exercised by the "commission,"  
20 defined in Section 6.02, Chapter 791, Acts of the 74th  
21 Legislature, Regular Session, 1995, as the Texas  
22 Natural Resource Conservation Commission. The revised  
23 law omits the provision because the Texas Commission  
24 on Environmental Quality is the successor to the Texas  
25 Natural Resource Conservation Commission and  
26 therefore the provision duplicates, in substance, part  
27 of Section 12.081, Water Code, which is a general law  
28 that applies to the district. The name of the Texas  
29 Natural Resource Conservation Commission was changed  
30 to the Texas Commission on Environmental Quality by  
31 Section 18.01, Chapter 965, Acts of the 77th  
32 Legislature, Regular Session, 2001. The omitted law  
33 reads:

34 (b) The rights, powers, privileges,  
35 authority, functions, and duties of the  
36 district are subject to the continuing  
37 right of supervision of the state to be

1 exercised by and through the commission.

2 [Sections 8400.102-8400.150 reserved for expansion]

3 SUBCHAPTER D. MUNICIPAL ANNEXATION

4 Revised Law

5 Sec. 8400.151. ANNEXATION BY MUNICIPALITY. A municipality  
6 may annex the district on the earlier of:

7 (1) the installation of 90 percent of all works,  
8 improvements, facilities, plants, equipment, and appliances  
9 necessary and adequate to:

10 (A) provide service to the proposed development  
11 within the district;

12 (B) accomplish the purposes for which the  
13 district was created; and

14 (C) exercise the powers provided by general law  
15 and this chapter; or

16 (2) the 20th anniversary of the date the district was  
17 confirmed. (Acts 74th Leg., R.S., Ch. 791, Sec. 6.12.)

18 Source Law

19 Sec. 6.12. The district may be annexed by a  
20 municipality only after:

21 (1) the installation of 90 percent of all  
22 works, improvements, facilities, plants, equipment,  
23 and appliances necessary and adequate to:

24 (A) provide service to the proposed  
25 development within the district;

26 (B) accomplish the purposes for which  
27 the district was created; and

28 (C) exercise the powers provided by  
29 the general law of this state and this article; or

30 (2) the expiration of 20 years from the  
31 date the district was confirmed, whichever occurs  
32 first.

33 Revised Law

34 Sec. 8400.152. DUTIES OF MUNICIPALITY AFTER ANNEXATION. If  
35 a municipality in whose extraterritorial jurisdiction the district  
36 is located annexes the district for full or limited purposes and the  
37 annexation precludes or impairs the ability of the district to  
38 issue bonds, the municipality shall:

39 (1) simultaneously with the annexation, pay in cash to  
40 the landowner or developer of the district a sum equal to all actual  
41 costs and expenses incurred by the landowner or developer in

1 connection with the district that:

2 (A) the district has agreed in writing to pay;  
3 and

4 (B) would otherwise have been eligible for  
5 reimbursement from bond proceeds under the rules and requirements  
6 of the commission as those rules and requirements exist on the date  
7 of annexation; and

8 (2) after the annexation, install all necessary water,  
9 wastewater, and drainage facilities to serve full buildout of  
10 development within the district. (Acts 74th Leg., R.S., Ch. 791,  
11 Sec. 6.13.)

12 Source Law

13 Sec. 6.13. If a municipality in whose  
14 extraterritorial jurisdiction the district is located  
15 annexes the district for full or limited purposes and  
16 the annexation precludes or impairs the ability of the  
17 district to issue bonds, the municipality shall,  
18 simultaneously with the annexation, pay in cash to the  
19 landowner or developer of the district a sum equal to  
20 all actual costs and expenses incurred by the  
21 landowner or developer in connection with the district  
22 that the district has, in writing, agreed to pay and  
23 that would otherwise have been eligible for  
24 reimbursement from bond proceeds under the rules and  
25 requirements of the commission as such rules and  
26 requirements exist on the date of annexation. The  
27 municipality shall further be required to install  
28 after annexation all necessary water, wastewater, and  
29 drainage facilities to serve full buildout of  
30 development within the district.

31 Revisor's Note  
32 (End of Chapter)

33 Section 8.01, Chapter 791, Acts of the 74th  
34 Legislature, Regular Session, 1995, provides that the  
35 notice, introduction, and passage of the act satisfied  
36 the requirements of the Texas Constitution, other laws  
37 of this state, and rules and procedures of the  
38 legislature. Section 8.01 also provides that the Texas  
39 Natural Resource Conservation Commission timely filed  
40 recommendations relating to the act. The revised law  
41 omits those provisions as executed. The omitted law  
42 reads:

43 Sec. 8.01. (a) The proper and legal  
44 notice of the intention to introduce this

1 Act, setting forth the general substance of  
2 this Act, has been published as provided by  
3 law, and the notice and a copy of this Act  
4 have been furnished to all persons,  
5 agencies, officials, or entities to which  
6 they are required to be furnished by the  
7 constitution and other laws of this state,  
8 including the governor, who has submitted  
9 the notice and Act to the Texas Natural  
10 Resource Conservation Commission.

11 (b) The Texas Natural Resource  
12 Conservation Commission has filed its  
13 recommendations relating to this Act with  
14 the governor, lieutenant governor, and  
15 speaker of the house of representatives  
16 within the required time.

17 (c) All requirements of the  
18 constitution and laws of this state and the  
19 rules and procedures of the legislature  
20 with respect to the notice, introduction,  
21 and passage of this Act are fulfilled and  
22 accomplished.

23 CHAPTER 8401. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 9

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 8401.001. DEFINITIONS . . . . . 868  
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31 [Sections 8401.006-8401.050 reserved for expansion]

32 SUBCHAPTER B. BOARD OF DIRECTORS

33 Sec. 8401.051. COMPOSITION OF BOARD; TERMS . . . . . 872

34 [Sections 8401.052-8401.100 reserved for expansion]

35 SUBCHAPTER C. POWERS AND DUTIES

36 Sec. 8401.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
37 DUTIES . . . . . 876

38 [Sections 8401.102-8401.150 reserved for expansion]

39 SUBCHAPTER D. MUNICIPAL ANNEXATION

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42 CHAPTER 8401. TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 9

43 SUBCHAPTER A. GENERAL PROVISIONS

44 Revised Law

45 Sec. 8401.001. DEFINITIONS. In this chapter:

- 1 (1) "Board" means the district's board of directors.  
2 (2) "Commission" means the Texas Commission on  
3 Environmental Quality.  
4 (3) "Director" means a member of the board.  
5 (4) "District" means the Travis County Municipal  
6 Utility District No. 9. (Acts 74th Leg., R.S., Ch. 791, Sec. 7.02;  
7 New.)

8 Source Law

9 Sec. 7.02. In this article:

- 10 (1) "Commission" means the Texas Natural  
11 Resource Conservation Commission.  
12 (2) "District" means Travis County  
13 Municipal Utility District No. 9.

14 Revisor's Note

15 (1) Section 7.02(1), Chapter 791, Acts of the  
16 74th Legislature, Regular Session, 1995, defines  
17 "commission" as the "Texas Natural Resource  
18 Conservation Commission." The name of the Texas  
19 Natural Resource Conservation Commission was changed  
20 to the Texas Commission on Environmental Quality by  
21 Section 18.01, Chapter 965, Acts of the 77th  
22 Legislature, Regular Session, 2001. The revised law  
23 is drafted accordingly.

24 (2) The definitions of "board" and "director"  
25 are added to the revised law for drafting convenience.

26 Revised Law

27 Sec. 8401.002. NATURE OF DISTRICT. The district is a  
28 conservation and reclamation district in Travis County created  
29 under Section 59, Article XVI, Texas Constitution. (Acts 74th Leg.,  
30 R.S., Ch. 791, Secs. 7.01(a) (part), (b) (part).)

31 Source Law

32 Sec. 7.01. (a) A conservation and reclamation  
33 district, to be known as Travis County Municipal  
34 Utility District No. 9, is created in Travis County,  
35 . . . .  
36 (b) The district is created under and . . .  
37 Section 59, Article XVI, Texas Constitution.

38 Revisor's Note

39 (1) Section 7.01(a), Chapter 791, Acts of the

1 74th Legislature, Regular Session, 1995, refers to a  
2 confirmation election. Because the confirmation  
3 election has already been held, the revised law omits  
4 the provision as executed. The omitted law reads:

5 (a) . . . subject to approval at a  
6 confirmation election under Section 7.09 of  
7 this article. . . .

8 (2) Section 7.01(a), Chapter 791, Acts of the  
9 74th Legislature, Regular Session, 1995, provides that  
10 the district is a governmental agency and a body  
11 politic and corporate. The revised law omits the  
12 provision because it duplicates a portion of Section  
13 59(b), Article XVI, Texas Constitution, which provides  
14 that a conservation and reclamation district is a  
15 governmental agency and a body politic and corporate.  
16 The omitted law reads:

17 (a) . . . The district is a  
18 governmental agency and a body politic and  
19 corporate.

20 Revised Law

21 Sec. 8401.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
22 The district is created to serve a public use and benefit.

23 (b) All land and other property included in the district  
24 will benefit from the works and projects accomplished by the  
25 district under the powers conferred by Section 59, Article XVI,  
26 Texas Constitution.

27 (c) The creation of the district is essential to accomplish  
28 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
29 74th Leg., R.S., Ch. 791, Secs. 7.01(b) (part), 7.05.)

30 Source Law

31 [Sec. 7.01]

32 (b) [The district is created under and] is  
33 essential to accomplish the purposes of Section 59,  
34 Article XVI, Texas Constitution.

35 Sec. 7.05. All of the land and other property  
36 included within the boundaries of the district will be  
37 benefited by the works and projects that are to be  
38 accomplished by the district under the powers  
39 conferred by Section 59, Article XVI, Texas  
40 Constitution. The district is created to serve a  
41 public use and benefit.



1 applicable to the district under Sections 49.001 and  
2 49.002 of that chapter. The revised law also includes  
3 a reference to the general authority of the  
4 legislature to enact a law to change the district's  
5 territory.

6 (2) Section 7.04, Chapter 791, Acts of the 74th  
7 Legislature, Regular Session, 1995, refers to the  
8 district's authority to "levy and collect" taxes. The  
9 revised law substitutes "impose" for "levy and  
10 collect" because "impose" is the term generally used  
11 in Title 1, Tax Code, and includes the levy and  
12 collection of a tax.

#### 13 Revised Law

14 Sec. 8401.005. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.  
15 A municipality in whose extraterritorial jurisdiction the district  
16 is located may not take any action, including passing an ordinance  
17 or resolution, that:

18 (1) impairs the district's ability to exercise the  
19 district's powers under this chapter; or

20 (2) limits the district's ability to finance,  
21 construct, or operate the district's water, wastewater, or drainage  
22 systems. (Acts 74th Leg., R.S., Ch. 791, Sec. 7.11.)

#### 23 Source Law

24 Sec. 7.11. No municipality in whose  
25 extraterritorial jurisdiction the district is located  
26 shall pass any ordinances or resolutions or otherwise  
27 take any actions which impair the ability of the  
28 district to exercise its powers under this article or  
29 which would limit the ability of the district to  
30 finance, construct, or operate its water, wastewater,  
31 or drainage systems.

32 [Sections 8401.006-8401.050 reserved for expansion]

### 33 SUBCHAPTER B. BOARD OF DIRECTORS

#### 34 Revised Law

35 Sec. 8401.051. COMPOSITION OF BOARD; TERMS. (a) The  
36 district is governed by a board of five directors.

37 (b) Directors serve staggered four-year terms. (Acts 74th  
38 Leg., R.S., Ch. 791, Secs. 7.07(a), (d).)



1 director of a municipal utility district. A reference  
2 to Section 49.055, Water Code, is unnecessary because  
3 that section applies to the district under Sections  
4 49.001 and 49.002, Water Code. The omitted law reads:

5 (e) Each director must qualify to  
6 serve as director in the manner provided by  
7 Section 54.025 or 54.116, Water Code, as  
8 appropriate.

9 (4) Section 7.07(f), Chapter 791, Acts of the  
10 74th Legislature, Regular Session, 1995, provides that  
11 a director serves until a successor has qualified. The  
12 revised law omits the provision as unnecessary because  
13 it duplicates Section 17, Article XVI, Texas  
14 Constitution. That section requires an officer in this  
15 state to continue to perform the officer's duties until  
16 the successor has qualified. The omitted law reads:

17 (f) A director serves until the  
18 director's successor has qualified.

19 Revisor's Note  
20 (End of Subchapter)

21 (1) Section 7.08, Chapter 791, Acts of the 74th  
22 Legislature, Regular Session, 1995, names and provides  
23 for the qualification of and for filling vacancies on  
24 the temporary board of directors. The revised law  
25 omits that section as executed. The omitted law reads:

26 Sec. 7.08. (a) The temporary board  
27 of directors is composed of:

- 28 (1) Ken Blaker
- 29 (2) Doug Agarwal
- 30 (3) Bob Kuhlman
- 31 (4) David R. Whiting
- 32 (5) John Bernardoni

33 (b) If a temporary director fails to  
34 qualify for office, the temporary directors  
35 who have qualified shall appoint a person to  
36 fill the vacancy. If at any time there are  
37 fewer than three qualified temporary  
38 directors, the commission shall appoint the  
39 necessary number of persons to fill all  
40 vacancies on the board.

41 (2) Section 7.09, Chapter 791, Acts of the 74th  
42 Legislature, Regular Session, 1995, provides for the  
43 "temporary" board to conduct an election for the  
44 district's initial elected board and to confirm the

1 district's creation. The revised law omits the section  
2 as executed. The omitted law reads:

3           Sec. 7.09. (a) The temporary board  
4 of directors shall call and hold an election  
5 to confirm establishment of the district  
6 and to elect five initial directors as  
7 provided by Chapter 54, Water Code.

8           (b) Subsection (a), Section 41.001,  
9 Election Code, does not apply to a  
10 confirmation election held as provided by  
11 this section.

12           (3) Section 7.10, Chapter 791, Acts of the 74th  
13 Legislature, Regular Session, 1995, provides that on  
14 the first Saturday in May of the fourth year after the  
15 district's confirmation election, the district shall  
16 hold a directors' election to elect directors with  
17 staggered terms and shall hold subsequent elections  
18 for directors every second year afterwards on the same  
19 date. The district was confirmed in an election held in  
20 November 1995, so the provisions in Section 7.10, if  
21 effective, would result in biennial elections  
22 beginning on the first Saturday in May 1999.

23           The revised law omits those provisions as  
24 superseded by the 1995 enactment of Section 49.103,  
25 Water Code, applicable to the district under Sections  
26 49.001, 49.002, and 49.103(e), Water Code. Section  
27 49.103(b), Water Code, requires the election of the  
28 appropriate number of directors to be held on the  
29 uniform election date in May of even-numbered years.  
30 Section 49.103(e), Water Code, provides that the  
31 provisions of Section 49.103(b) take precedence over  
32 all prior statutory enactments. Section 49.103, Water  
33 Code, was enacted by Chapter 715, Acts of the 74th  
34 Legislature, Regular Session, 1995, the same session  
35 as the source law, Chapter 791. The date of enactment  
36 is the date on which the last legislative vote is taken  
37 on the bill enacting the statute. The last legislative  
38 vote on Chapter 715 was taken May 25, 1995. The last

1 legislative vote on Chapter 791 was taken May 24, 1995.  
2 Accordingly, Section 49.103(b) prevails over Section  
3 7.10, Chapter 791, Acts of the 74th Legislature,  
4 Regular Session, 1995. In addition, Section 50(b) of  
5 Chapter 715, Acts of the 74th Legislature, Regular  
6 Session, 1995, expressly stated that Section  
7 49.103(b), Water Code, governed all elections held  
8 after December 31, 1995, and provided specific  
9 election dates necessary to implement the required  
10 transition.

11 It should be noted that additional statutes  
12 enacted after 1995 may also have affected the date on  
13 which the district conducts directors' elections. For  
14 example, Section 41.0052(a), Election Code, as amended  
15 by Chapter 1318, Acts of the 82nd Legislature, Regular  
16 Session, 2011, permitted political subdivisions other  
17 than counties to change the date of elections to the  
18 November uniform election date.

19 The omitted law reads:

20 Sec. 7.10. On the first Saturday in  
21 May of the fourth year after the year in  
22 which the confirmation election is held, an  
23 election shall be held in the district for  
24 the election of two directors who shall each  
25 serve two-year terms and three directors  
26 who shall serve four-year terms.  
27 Thereafter, on the same date in each  
28 subsequent second year, the appropriate  
29 number of directors shall be elected to the  
30 board.

31 [Sections 8401.052-8401.100 reserved for expansion]

32 SUBCHAPTER C. POWERS AND DUTIES

33 Revised Law

34 Sec. 8401.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
35 DUTIES. The district has the rights, powers, privileges, functions,  
36 and duties provided by general law applicable to a municipal  
37 utility district created under Section 59, Article XVI, Texas  
38 Constitution, including Chapters 49, 50, and 54, Water Code. (Acts  
39 74th Leg., R.S., Ch. 791, Sec. 7.06(a) (part).)



1 defined in Section 7.02, Chapter 791, Acts of the 74th  
2 Legislature, Regular Session, 1995, as the Texas  
3 Natural Resource Conservation Commission. The revised  
4 law omits the provision because the Texas Commission  
5 on Environmental Quality is the successor to the Texas  
6 Natural Resource Conservation Commission and  
7 therefore the provision duplicates, in substance, part  
8 of Section 12.081, Water Code, which is a general law  
9 that applies to the district. The name of the Texas  
10 Natural Resource Conservation Commission was changed  
11 to the Texas Commission on Environmental Quality by  
12 Section 18.01, Chapter 965, Acts of the 77th  
13 Legislature, Regular Session, 2001. The omitted law  
14 reads:

15 (b) The rights, powers, privileges,  
16 authority, functions, and duties of the  
17 district are subject to the continuing  
18 right of supervision of the state to be  
19 exercised by and through the commission.

20 [Sections 8401.102-8401.150 reserved for expansion]

21 SUBCHAPTER D. MUNICIPAL ANNEXATION

22 Revised Law

23 Sec. 8401.151. ANNEXATION BY MUNICIPALITY. A municipality  
24 may annex the district on the earlier of:

25 (1) the installation of 90 percent of all works,  
26 improvements, facilities, plants, equipment, and appliances  
27 necessary and adequate to:

28 (A) provide service to the proposed development  
29 within the district;

30 (B) accomplish the purposes for which the  
31 district was created; and

32 (C) exercise the powers provided by general law  
33 and this chapter; or

34 (2) the 20th anniversary of the date the district was  
35 confirmed. (Acts 74th Leg., R.S., Ch. 791, Sec. 7.12.)



1 that the district has, in writing, agreed to pay and  
2 that would otherwise have been eligible for  
3 reimbursement from bond proceeds under the rules and  
4 requirements of the commission as such rules and  
5 requirements exist on the date of annexation. The  
6 municipality shall further be required to install  
7 after annexation all necessary water, wastewater, and  
8 drainage facilities to serve full buildout of  
9 development within the district.

10 Revisor's Note  
11 (End of Chapter)

12 Section 8.01, Chapter 791, Acts of the 74th  
13 Legislature, Regular Session, 1995, provides that the  
14 notice, introduction, and passage of the act satisfied  
15 the requirements of the Texas Constitution, other laws  
16 of this state, and rules and procedures of the  
17 legislature. Section 8.01 also provides that the Texas  
18 Natural Resource Conservation Commission timely filed  
19 recommendations relating to the act. The revised law  
20 omits those provisions as executed. The omitted law  
21 reads:

22 Sec. 8.01. (a) The proper and legal  
23 notice of the intention to introduce this  
24 Act, setting forth the general substance of  
25 this Act, has been published as provided by  
26 law, and the notice and a copy of this Act  
27 have been furnished to all persons,  
28 agencies, officials, or entities to which  
29 they are required to be furnished by the  
30 constitution and other laws of this state,  
31 including the governor, who has submitted  
32 the notice and Act to the Texas Natural  
33 Resource Conservation Commission.

34 (b) The Texas Natural Resource  
35 Conservation Commission has filed its  
36 recommendations relating to this Act with  
37 the governor, lieutenant governor, and  
38 speaker of the house of representatives  
39 within the required time.

40 (c) All requirements of the  
41 constitution and laws of this state and the  
42 rules and procedures of the legislature  
43 with respect to the notice, introduction,  
44 and passage of this Act are fulfilled and  
45 accomplished.

46 CHAPTER 8402. ROLLING CREEK UTILITY DISTRICT

47 SUBCHAPTER A. GENERAL PROVISIONS

48	Sec. 8402.001.	DEFINITIONS . . . . .	881
49	Sec. 8402.002.	NATURE OF DISTRICT . . . . .	881
50	Sec. 8402.003.	FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . .	882
51	Sec. 8402.004.	DISTRICT TERRITORY . . . . .	883

1 [Sections 8402.005-8402.050 reserved for expansion]  
2 SUBCHAPTER B. BOARD OF DIRECTORS  
3 Sec. 8402.051. COMPOSITION OF BOARD . . . . . 885  
4 Sec. 8402.052. BOARD VACANCY . . . . . 886  
5 [Sections 8402.053-8402.100 reserved for expansion]  
6 SUBCHAPTER C. POWERS AND DUTIES  
7 Sec. 8402.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 888

8 CHAPTER 8402. ROLLING CREEK UTILITY DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Revised Law

11 Sec. 8402.001. DEFINITIONS. In this chapter:

- 12 (1) "Board" means the district's board of directors.
- 13 (2) "Director" means a member of the board.
- 14 (3) "District" means the Rolling Creek Utility

15 District. (Acts 62nd Leg., R.S., Ch. 662, Sec. 1 (part); New.)

16 Source Law

17 Sec. 1. . . . [a . . . district] . . . to be  
18 known as Rolling Creek Utility District, hereinafter  
19 called the "district," . . . .

20 Revisor's Note

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

25 Revised Law

26 Sec. 8402.002. NATURE OF DISTRICT. The district is a  
27 conservation and reclamation district in Harris County created  
28 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
29 Leg., R.S., Ch. 662, Sec. 1 (part).)

30 Source Law

31 Sec. 1. . . . there is hereby created and  
32 established, under and pursuant to the provisions of  
33 Article XVI, Section 59 of the Constitution of Texas, a  
34 conservation and reclamation district in Harris  
35 County, Texas, . . . which shall be a governmental  
36 agency and a body politic and corporate. . . .

37 Revisor's Note

- 38 (1) Section 1, Chapter 662, Acts of the 62nd

1 Legislature, Regular Session, 1971, provides that the  
2 district is "created and established." The revised  
3 law omits "established" because the meaning of that  
4 word is included in the meaning of "created."

5 (2) Section 1, Chapter 662, Acts of the 62nd  
6 Legislature, Regular Session, 1971, provides that the  
7 district is created notwithstanding certain laws  
8 relating to consent. The revised law omits that  
9 provision as executed because the district has been  
10 created. The omitted law reads:

11 Sec. 1. Notwithstanding provisions  
12 of the general laws relating to consent by  
13 political subdivisions for the creation of  
14 conservation and reclamation districts,  
15 [there is hereby created . . . a  
16 conservation and reclamation district]  
17 . . . .

18 (3) Section 1, Chapter 662, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to the  
20 district as "a governmental agency and a body politic  
21 and corporate." The revised law omits the quoted  
22 language because it duplicates a portion of Section  
23 59(b), Article XVI, Texas Constitution, which provides  
24 that a conservation and reclamation district is a  
25 governmental agency and a body politic and corporate.

26 Revised Law

27 Sec. 8402.003. 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 boundaries  
30 of the district will benefit from the works and projects  
31 accomplished by the district under the powers conferred by Section  
32 59, Article XVI, Texas Constitution.

33 (c) The creation of the district is essential to accomplish  
34 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
35 62nd Leg., R.S., Ch. 662, Secs. 1 (part), 3.)

36 Source Law

37 Sec. 1. . . . The creation and establishment of  
38 the district is hereby declared to be essential to the

1 accomplishment of the purposes of Article XVI, Section  
2 59 of the Constitution of Texas.

3 Sec. 3. It is determined and found that all of  
4 the land and other property included within the area  
5 and boundaries of the district will be benefited by the  
6 works and project which are to be accomplished by the  
7 district pursuant to the powers conferred by the  
8 provisions of Article XVI, Section 59 of the  
9 Constitution of Texas, and that said district is  
10 created to serve a public use and benefit.

11 Revisor's Note

12 (1) Section 1, Chapter 662, Acts of the 62nd  
13 Legislature, Regular Session, 1971, provides that the  
14 "creation and establishment" of the district are  
15 essential to accomplish the purposes of Section 59,  
16 Article XVI, Texas Constitution. The revised law  
17 omits "establishment" because its meaning is included  
18 in the meaning of "creation."

19 (2) Section 3, Chapter 662, Acts of the 62nd  
20 Legislature, Regular Session, 1971, refers to land and  
21 other property included within the "area and  
22 boundaries of the district." The revised law omits the  
23 reference to "area" because, in context, "area" is  
24 included in the meaning of "boundaries."

25 Revised Law

26 Sec. 8402.004. DISTRICT TERRITORY. (a) The district is  
27 composed of the territory described by Section 4, Chapter 662, Acts  
28 of the 62nd Legislature, Regular Session, 1971, as that territory  
29 may have been modified under:

- 30 (1) Subchapter H, Chapter 54, Water Code;  
31 (2) Subchapter J, Chapter 49, Water Code; or  
32 (3) other law.

33 (b) The boundaries and field notes of the district form a  
34 closure. A mistake in copying the field notes in the legislative  
35 process or another mistake in the field notes does not affect:

- 36 (1) the district's organization, existence, or  
37 validity;  
38 (2) the district's right to issue any type of bond for  
39 a purpose for which the district is created or to pay the principal

1 of and interest on the bond;

2 (3) the district's right to impose a tax; or

3 (4) the legality or operation of the district or its  
4 governing body. (Acts 62nd Leg., R.S., Ch. 662, Sec. 2; New.)

5 Source Law

6 Sec. 2. It is determined and found that the  
7 boundaries and field notes of the district form a  
8 closure. If any mistake is made in copying the field  
9 notes in the legislative process or otherwise a  
10 mistake is made in the field notes, it shall in no way  
11 affect the organization, existence and validity of the  
12 district, or the right of the district to issue any  
13 type of bonds or refunding bonds for the purposes for  
14 which the district is created or to pay the principal  
15 and interest thereon, or the right to assess, levy and  
16 collect taxes, or in any other manner affect the  
17 legality or operation of the district or its governing  
18 body.

19 Revisor's Note

20 (1) The revision of the law governing the  
21 district does not revise the statutory language  
22 describing the territory of the district to avoid the  
23 lengthy recitation of the description and because that  
24 description may not be accurate on the effective date  
25 of the revision or at the time of a later reading. For  
26 the reader's convenience, the revised law includes  
27 references to the statutory description of the  
28 district's territory and to the authority to change the  
29 district's territory under Subchapter H, Chapter 54,  
30 Water Code, applicable to municipal utility districts,  
31 and under Subchapter J, Chapter 49, Water Code,  
32 applicable to the district under Sections 49.001 and  
33 49.002 of that chapter. The revised law also includes  
34 a reference to the general authority of the  
35 legislature to enact a law to change the district's  
36 territory.

37 (2) Section 2, Chapter 662, Acts of the 62nd  
38 Legislature, Regular Session, 1971, provides that a  
39 mistake in the description of the district boundaries  
40 does not affect the right of the district to issue "any

1 type of bonds or refunding bonds." The revised law  
2 omits the reference to "refunding bonds" because  
3 refunding bonds are included in the meaning of "any  
4 type of bonds."

5 (3) Section 2, Chapter 662, Acts of the 62nd  
6 Legislature, Regular Session, 1971, refers to the  
7 district's authority to "assess, levy and collect"  
8 taxes. The revised law substitutes "impose" for  
9 "assess, levy and collect" because "impose" is the  
10 term generally used in Title 1, Tax Code, and includes  
11 the assessment, levy, and collection of a tax.

12 [Sections 8402.005-8402.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Revised Law

15 Sec. 8402.051. COMPOSITION OF BOARD. The board is composed  
16 of five elected directors. (Acts 62nd Leg., R.S., Ch. 662, Sec. 6  
17 (part).)

18 Source Law

19 Sec. 6. . . . Succeeding directors shall be  
20 elected or . . . .

21 Revisor's Note

22 (1) Section 6, Chapter 662, Acts of the 62nd  
23 Legislature, Regular Session, 1971, refers to the  
24 initial board of directors and that board's vacancy  
25 procedures. The revised law omits the language as  
26 executed. The omitted law reads:

27 Sec. 6. Immediately after this Act  
28 becomes effective, the following named  
29 persons shall be the directors of the  
30 district and shall constitute the board of  
31 directors of the district:

32 Rick Brugart  
33 Tom Bynum  
34 John Carothers  
35 Oscar Dancy  
36 John Daugherty

37 Said persons shall qualify to serve as  
38 directors prior to the first meeting of the  
39 board of directors. Should any of the above  
40 named directors fail to qualify for any  
41 reason, the remaining named directors shall  
42 appoint someone to fill such vacancy or  
43 vacancies; . . . . The directors above

1 named or their duly appointed and qualified  
2 successor or successors shall serve until  
3 the second Saturday in January, 1973. . . .

4 (2) Section 6, Chapter 662, Acts of the 62nd  
5 Legislature, Regular Session, 1971, refers to  
6 "[s]ucceeding directors" to distinguish the  
7 succeeding directors from the initial directors named  
8 in that section. The revised law substitutes "five"  
9 for "succeeding" to conform to the number of directors  
10 listed in Section 6 (establishing the initial board).

11 (3) Section 6, Chapter 662, Acts of the 62nd  
12 Legislature, Regular Session, 1971, provides for  
13 directors to be elected or appointed and to serve for  
14 the term and in the manner provided by Chapter 54,  
15 Water Code. Chapter 715, Acts of the 74th Legislature,  
16 Regular Session, 1995, repealed the relevant  
17 provisions of Chapter 54 and enacted similar  
18 provisions in Chapter 49, Water Code, including  
19 Section 49.103, which governs the terms of office and  
20 manner of election of directors of a municipal utility  
21 district that is required by law to elect its  
22 directors. The revised law omits any reference to  
23 Chapter 49, Water Code, because Chapter 49 applies to  
24 the district under Sections 49.001 and 49.002 of that  
25 chapter. The revised law also omits "appointed"  
26 because it is clear from the context of Section 6 that  
27 the reference applies only to directors appointed to  
28 fill vacancies as provided by Chapter 49, Water Code.  
29 The omitted law reads:

30 Sec. 6. . . . [Succeeding directors  
31 shall be elected or] appointed and shall  
32 serve for the term and in the manner  
33 provided by Chapter 54, Title 4, Water Code,  
34 for directors first elected.

35 Revised Law

36 Sec. 8402.052. BOARD VACANCY. (a) Except as provided by  
37 Subsection (b), a vacancy in the office of director shall be filled  
38 in the manner provided by Section 49.105, Water Code.

1 (b) The Texas Commission on Environmental Quality shall  
2 appoint directors to fill all of the vacancies on the board whenever  
3 the number of qualified directors is fewer than three. (Acts 62nd  
4 Leg., R.S., Ch. 662, Sec. 6 (part); New.)

5 Source Law

6 Sec. 6. . . . [Should any of the above named  
7 directors fail to qualify for any reason, the  
8 remaining named directors shall appoint someone to  
9 fill such vacancy or vacancies;] provided, however,  
10 that if at any time the number of qualified directors  
11 shall be less than three because of the failure or  
12 refusal of one or more directors to qualify or serve or  
13 because of his or their death or incapacitation, or for  
14 any such other reason, the Texas Water Rights  
15 Commission shall appoint the necessary number of  
16 directors to fill all vacancies on the board. . . .

17 Revisor's Note

18 (1) Section 6, Chapter 662, Acts of the 62nd  
19 Legislature, Regular Session, 1971, governs the manner  
20 in which multiple board vacancies are filled. Section  
21 49.105, Water Code, governs the manner of filling a  
22 vacancy in the office of director of certain  
23 districts, including a municipal utility district.  
24 Chapter 49, Water Code, applies to the district under  
25 Sections 49.001 and 49.002 of that chapter. For that  
26 reason and for the convenience of the reader, the  
27 revised law adds a reference to Section 49.105.

28 (2) Section 6, Chapter 662, Acts of the 62nd  
29 Legislature, Regular Session, 1971, refers to a  
30 vacancy in the office of director "because of the  
31 failure or refusal of one or more directors to qualify  
32 or serve or because of his or their death or  
33 incapacitation, or for any such other reason." The  
34 revised law omits the quoted language because it  
35 merely describes every manner in which a board vacancy  
36 may occur without limiting in any way the duty to fill  
37 the vacancy.

38 (3) Section 6, Chapter 662, Acts of the 62nd  
39 Legislature, Regular Session, 1971, refers to the

1 "Texas Water Rights Commission." The revised law  
2 substitutes "Texas Commission on Environmental  
3 Quality" for "Texas Water Rights Commission" to  
4 reflect the current name of the agency with the  
5 relevant regulatory authority.

6 [Sections 8402.053-8402.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Revised Law

9 Sec. 8402.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
10 district has the rights, powers, privileges, and functions  
11 conferred by general law applicable to a municipal utility  
12 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
13 Leg., R.S., Ch. 662, Sec. 5 (part); New.)

14 Source Law

15 Sec. 5. The district is hereby vested with, and  
16 shall have and exercise, all of the rights, powers,  
17 privileges, authority and functions conferred by the  
18 general laws of this state applicable to municipal  
19 utility districts, including without limitation those  
20 conferred by Chapter 54, Title 4, Water Code, but  
21 . . . .

22 Revisor's Note

23 (1) Section 5, Chapter 662, Acts of the 62nd  
24 Legislature, Regular Session, 1971, provides that the  
25 district "is hereby vested with, and shall have and  
26 exercise" certain powers. The revised law substitutes  
27 "has" for the quoted language because, in context, the  
28 terms are synonymous and "has" is more commonly used.

29 (2) Section 5, Chapter 662, Acts of the 62nd  
30 Legislature, Regular Session, 1971, refers to the  
31 "rights, powers, privileges, [and] authority" of the  
32 district. The revised law omits the reference to  
33 "authority" because, in context, "authority" is  
34 included in the meaning of "rights, powers, [and]  
35 privileges."

36 (3) Section 5, Chapter 662, Acts of the 62nd  
37 Legislature, Regular Session, 1971, grants the

1 district certain powers, "including without  
2 limitation those conferred by Chapter 54, Title 4,  
3 Water Code." The revised law omits "without  
4 limitation" because Section 311.005(13), Government  
5 Code (Code Construction Act), provides that "includes"  
6 and "including" are terms of enlargement and not of  
7 limitation and do not create a presumption that  
8 components not expressed are excluded.

9 (4) Section 5, Chapter 662, Acts of the 62nd  
10 Legislature, Regular Session, 1971, refers to Chapter  
11 54, Water Code. For the reader's convenience, the  
12 revised law adds a reference to Chapter 49, Water Code,  
13 because Chapter 715, Acts of the 74th Legislature,  
14 Regular Session, 1995, repealed many provisions of  
15 Chapter 54 and enacted similar provisions in Chapter  
16 49, Water Code, which applies to the district under  
17 Sections 49.001 and 49.002 of that chapter.

18 (5) Section 5, Chapter 662, Acts of the 62nd  
19 Legislature, Regular Session, 1971, provides that the  
20 act prevails over general law in case of a conflict or  
21 other inconsistency and that all general laws  
22 applicable to municipal utility districts not in  
23 conflict or inconsistent with the provisions of the  
24 act are adopted and incorporated by reference. The  
25 revised law omits the portion of the provision  
26 relating to the act prevailing over general law  
27 because it duplicates in substance Section 311.026(b),  
28 Government Code (Code Construction Act). The revised  
29 law omits the portion of the provision relating to  
30 adoption and incorporation of general laws because  
31 Section 5 of Chapter 662 (revised as this section)  
32 already provides that those laws apply to the  
33 district, and it is unnecessary to repeat that  
34 authority. The omitted law reads:

1           Sec. 5. . . . if any provision of  
2 such general laws shall be in conflict or  
3 inconsistent with the provisions of this  
4 Act, the provisions of this Act shall  
5 prevail. All such general laws applicable  
6 to municipal utility districts not in  
7 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           (1) Section 7, Chapter 662, Acts of the 62nd  
14 Legislature, Regular Session, 1971, contains  
15 legislative findings relating to the performance of  
16 the requirements of Section 59(d), Article XVI, Texas  
17 Constitution, and to the authority of the legislature  
18 to enact that chapter. The revised law omits the  
19 provision as executed. The omitted law reads:

20           Sec. 7. The Legislature specifically  
21 finds and declares that the requirements of  
22 Article XVI, Section 59(d) of the  
23 Constitution of Texas have been performed  
24 and accomplished in due course and time and  
25 order, and that the Legislature has the  
26 power and authority to enact this Act.

27           (2) Section 8, Chapter 662, Acts of the 62nd  
28 Legislature, Regular Session, 1971, provides that the  
29 act is severable. The revised law omits that provision  
30 because it duplicates Section 311.032, Government Code  
31 (Code Construction Act), which provides that a  
32 provision of a statute is severable from each other  
33 provision of the statute that can be given effect. The  
34 omitted law reads:

35           Sec. 8. If any word, phrase, clause,  
36 paragraph, sentence, part, portion or  
37 provision of this Act or the application  
38 thereof to any person or circumstance shall  
39 be held to be invalid or unconstitutional,  
40 the remainder of the Act shall nevertheless  
41 be valid and the Legislature hereby  
42 declares that this Act would have been  
43 enacted without such invalid or  
44 unconstitutional word, phrase, clause,  
45 paragraph, sentence, part, portion or  
46 provision.

1 CHAPTER 8403. ROLLING FORK PUBLIC UTILITY DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8403.001. DEFINITIONS . . . . . 891

4 Sec. 8403.002. NATURE OF DISTRICT . . . . . 891

5 Sec. 8403.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 892

6 Sec. 8403.004. DISTRICT TERRITORY . . . . . 893

7 [Sections 8403.005-8403.050 reserved for expansion]

8 SUBCHAPTER B. BOARD OF DIRECTORS

9 Sec. 8403.051. COMPOSITION OF BOARD . . . . . 895

10 Sec. 8403.052. BOARD VACANCY . . . . . 897

11 [Sections 8403.053-8403.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 8403.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 898

14 CHAPTER 8403. ROLLING FORK PUBLIC UTILITY DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Revised Law

17 Sec. 8403.001. DEFINITIONS. In this chapter:

- 18 (1) "Board" means the district's board of directors.
- 19 (2) "Director" means a member of the board.
- 20 (3) "District" means the Rolling Fork Public Utility

21 District. (Acts 62nd Leg., R.S., Ch. 689, Sec. 1 (part); New.)

22 Source Law

23 Sec. 1. . . . [a . . . district] . . . to be  
24 known as "Rolling Fork Public Utility District,"  
25 hereinafter called the "district," . . . .

26 Revisor's Note

27 The definitions of "board" and "director" are  
28 added to the revised law for drafting convenience and  
29 to eliminate frequent, unnecessary repetition of the  
30 substance of the definitions.

31 Revised Law

32 Sec. 8403.002. NATURE OF DISTRICT. The district is a  
33 conservation and reclamation district in Harris County created  
34 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
35 R.S., Ch. 689, Sec. 1 (part).)



1 59, Article XVI, Texas Constitution.

2 (c) The creation of the district is essential to accomplish  
3 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
4 62nd Leg., R.S., Ch. 689, Secs. 1 (part), 3.)

5 Source Law

6 Sec. 1. . . . The creation and establishment of  
7 the district is hereby declared to be essential to the  
8 accomplishment of the purposes of Article XVI, Section  
9 59 of the Constitution of Texas.

10 Sec. 3. It is determined and found that all of  
11 the land and other property included within the area  
12 and boundaries of the district will be benefited by the  
13 works and project which are to be accomplished by the  
14 district pursuant to the powers conferred by the  
15 provisions of Article XVI, Section 59 of the  
16 Constitution of Texas, and that said district is  
17 created to serve a public use and benefit.

18 Revisor's Note

19 (1) Section 1, Chapter 689, Acts of the 62nd  
20 Legislature, Regular Session, 1971, provides that the  
21 "creation and establishment" of the district are  
22 essential to accomplish the purposes of Section 59,  
23 Article XVI, Texas Constitution. The revised law  
24 omits "establishment" because its meaning is included  
25 in the meaning of "creation."

26 (2) Section 3, Chapter 689, Acts of the 62nd  
27 Legislature, Regular Session, 1971, refers to land and  
28 other property included within the "area and  
29 boundaries of the district." The revised law omits the  
30 reference to "area" because, in context, "area" is  
31 included in the meaning of "boundaries."

32 Revised Law

33 Sec. 8403.004. DISTRICT TERRITORY. (a) The district is  
34 composed of the territory described by Section 4, Chapter 689, Acts  
35 of the 62nd Legislature, Regular Session, 1971, as that territory  
36 may have been modified under:

- 37 (1) Subchapter H, Chapter 54, Water Code;
- 38 (2) Subchapter J, Chapter 49, Water Code; or
- 39 (3) other law.

1 (b) The boundaries and field notes of the district form a  
2 closure. A mistake in copying the field notes in the legislative  
3 process or another mistake in the field notes does not affect:

4 (1) the district's organization, existence, or  
5 validity;

6 (2) the district's right to issue any type of bond for  
7 a purpose for which the district is created or to pay the principal  
8 of and interest on the bond;

9 (3) the district's right to impose a tax; or

10 (4) the legality or operation of the district or its  
11 governing body. (Acts 62nd Leg., R.S., Ch. 689, Sec. 2; New.)

12 Source Law

13 Sec. 2. It is determined and found that the  
14 boundaries and field notes of the district form a  
15 closure. If any mistake is made in copying the field  
16 notes in the legislative process or otherwise a  
17 mistake is made in the field notes, it shall in no way  
18 affect the organization, existence and validity of the  
19 district, or the right of the district to issue any  
20 type of bonds or refunding bonds for the purposes for  
21 which the district is created or to pay the principal  
22 and interest thereon, or the right to assess, levy and  
23 collect taxes, or in any other manner affect the  
24 legality or operation of the district or its governing  
25 body.

26 Revisor's Note

27 (1) The revision of the law governing the  
28 district does not revise the statutory language  
29 describing the territory of the district to avoid the  
30 lengthy recitation of the description and because that  
31 description may not be accurate on the effective date  
32 of the revision or at the time of a later reading. For  
33 the reader's convenience, the revised law includes  
34 references to the statutory description of the  
35 district's territory and to the authority to change the  
36 district's territory under Subchapter H, Chapter 54,  
37 Water Code, applicable to municipal utility districts,  
38 and under Subchapter J, Chapter 49, Water Code,  
39 applicable to the district under Sections 49.001 and  
40 49.002 of that chapter. The revised law also includes

1 a reference to the general authority of the  
2 legislature to enact a law to change the district's  
3 territory.

4 (2) Section 2, Chapter 689, Acts of the 62nd  
5 Legislature, Regular Session, 1971, provides that a  
6 mistake in the description of the district boundaries  
7 does not affect the right of the district to issue "any  
8 type of bonds or refunding bonds." The revised law  
9 omits the reference to "refunding bonds" because  
10 refunding bonds are included in the meaning of "any  
11 type of bonds."

12 (3) Section 2, Chapter 689, Acts of the 62nd  
13 Legislature, Regular Session, 1971, refers to the  
14 district's authority to "assess, levy and collect"  
15 taxes. The revised law substitutes "impose" for  
16 "assess, levy and collect" because "impose" is the  
17 term generally used in Title 1, Tax Code, and includes  
18 the assessment, levy, and collection of a tax.

19 [Sections 8403.005-8403.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Revised Law

22 Sec. 8403.051. COMPOSITION OF BOARD. The board is composed  
23 of five elected directors. (Acts 62nd Leg., R.S., Ch. 689, Sec. 6  
24 (part).)

25 Source Law

26 Sec. 6. . . . Succeeding directors shall be  
27 elected or . . . .

28 Revisor's Note

29 (1) Section 6, Chapter 689, Acts of the 62nd  
30 Legislature, Regular Session, 1971, refers to the  
31 initial board of directors and that board's vacancy  
32 procedures. The revised law omits the language as  
33 executed. The omitted law reads:

34 Sec. 6. Immediately after this Act  
35 becomes effective, the following named  
36 persons shall be the directors of the

1 district and shall constitute the board of  
2 directors of the district:

3 Ivan R. Reid  
4 Jack W. Reid  
5 Roy Bray  
6 Paul Holiday  
7 Dudley Bell

8 Said persons shall qualify to serve as  
9 directors prior to the first meeting of the  
10 board of directors. Should any of the above  
11 named directors fail to qualify for any  
12 reason, the remaining named directors shall  
13 appoint someone to fill such vacancy or  
14 vacancies; . . . . The directors above  
15 named or their duly appointed and qualified  
16 successor or successors shall serve until  
17 the second Saturday in January, 1973. . . .

18 (2) Section 6, Chapter 689, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to  
20 "[s]ucceeding directors" to distinguish the  
21 succeeding directors from the initial directors named  
22 in that section. The revised law substitutes "five"  
23 for "succeeding" to conform to the number of directors  
24 listed in Section 6 (establishing the initial board).

25 (3) Section 6, Chapter 689, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides for  
27 directors to be elected or appointed and to serve for  
28 the term and in the manner provided by Chapter 54,  
29 Water Code. Chapter 715, Acts of the 74th Legislature,  
30 Regular Session, 1995, repealed the relevant  
31 provisions of Chapter 54 and enacted similar  
32 provisions in Chapter 49, Water Code, including  
33 Section 49.103, which governs the terms of office and  
34 manner of election of directors of a municipal utility  
35 district that is required by law to elect its  
36 directors. The revised law omits any reference to  
37 Chapter 49, Water Code, because Chapter 49 applies to  
38 the district under Sections 49.001 and 49.002 of that  
39 chapter. The revised law also omits "appointed"  
40 because it is clear from the context of Section 6 that  
41 the reference applies only to directors appointed to  
42 fill vacancies as provided by Chapter 49, Water Code.  
43 The omitted law reads:

1                   Sec. 6. . . . [Succeeding directors  
2                   shall be elected or] appointed and shall  
3                   serve for the term and in the manner  
4                   provided by Chapter 54, Title 4, Water Code.

5   Revised Law

6                   Sec. 8403.052. BOARD VACANCY. (a) Except as provided by  
7                   Subsection (b), a vacancy in the office of director shall be filled  
8                   in the manner provided by Section 49.105, Water Code.

9                   (b) The Texas Commission on Environmental Quality shall  
10                  appoint directors to fill all of the vacancies on the board whenever  
11                  the number of qualified directors is fewer than three. (Acts 62nd  
12                  Leg., R.S., Ch. 689, Sec. 6 (part); New.)

13   Source Law

14                  Sec. 6. . . . [Should any of the above named  
15                  directors fail to qualify for any reason, the  
16                  remaining named directors shall appoint someone to  
17                  fill such vacancy or vacancies;] provided, however,  
18                  that if at any time the number of qualified directors  
19                  shall be less than three because of the failure or  
20                  refusal of one or more directors to qualify or serve or  
21                  because of his or their death or incapacitation, or for  
22                  any such other reason, the Texas Water Rights  
23                  Commission shall appoint the necessary number of  
24                  directors to fill all vacancies on the board. . . .

25   Revisor's Note

26                  (1) Section 6, Chapter 689, Acts of the 62nd  
27                  Legislature, Regular Session, 1971, refers to a  
28                  vacancy in the office of director "because of the  
29                  failure or refusal of one or more directors to qualify  
30                  or serve or because of his or their death or  
31                  incapacitation, or for any such other reason." The  
32                  revised law omits the quoted language because it  
33                  merely describes every manner in which a board vacancy  
34                  may occur without limiting in any way the duty to fill  
35                  the vacancy.

36                  (2) Section 6, Chapter 689, Acts of the 62nd  
37                  Legislature, Regular Session, 1971, governs the manner  
38                  in which multiple board vacancies are filled. Section  
39                  49.105, Water Code, governs the manner of filling a  
40                  vacancy in the office of director of certain  
41                  districts, including a municipal utility district.

1 Chapter 49, Water Code, applies to the district under  
2 Sections 49.001 and 49.002 of that chapter. For that  
3 reason and for the convenience of the reader, the  
4 revised law adds a reference to Section 49.105.

5 (3) Section 6, Chapter 689, Acts of the 62nd  
6 Legislature, Regular Session, 1971, refers to the  
7 "Texas Water Rights Commission." The revised law  
8 substitutes "Texas Commission on Environmental  
9 Quality" for "Texas Water Rights Commission" to  
10 reflect the current name of the agency with the  
11 relevant regulatory authority.

12 [Sections 8403.053-8403.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Revised Law

15 Sec. 8403.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
16 district has the rights, powers, privileges, and functions  
17 conferred by general law applicable to a municipal utility  
18 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
19 Leg., R.S., Ch. 689, Sec. 5 (part); New.)

20 Source Law

21 Sec. 5. The district is hereby vested with, and  
22 shall have and exercise, all of the rights, powers,  
23 privileges, authority and functions conferred by the  
24 general laws of this state applicable to municipal  
25 utility districts, including without limitation those  
26 conferred by Chapter 54, Title 4, Water Code, but  
27 . . . .

28 Revisor's Note

29 (1) Section 5, Chapter 689, Acts of the 62nd  
30 Legislature, Regular Session, 1971, provides that the  
31 district "is hereby vested with, and shall have and  
32 exercise" certain powers. The revised law substitutes  
33 "has" for the quoted language because, in context, the  
34 terms are synonymous and "has" is more commonly used.

35 (2) Section 5, Chapter 689, Acts of the 62nd  
36 Legislature, Regular Session, 1971, refers to the  
37 "rights, powers, privileges, [and] authority" of the

1 district. The revised law omits the reference to  
2 "authority" because, in context, "authority" is  
3 included in the meaning of "rights, powers, [and]  
4 privileges."

5 (3) Section 5, Chapter 689, Acts of the 62nd  
6 Legislature, Regular Session, 1971, grants the  
7 district certain powers, "including without  
8 limitation those conferred by Chapter 54, Title 4,  
9 Water Code." The revised law omits "without  
10 limitation" because Section 311.005(13), Government  
11 Code (Code Construction Act), provides that "includes"  
12 and "including" are terms of enlargement and not of  
13 limitation and do not create a presumption that  
14 components not expressed are excluded.

15 (4) Section 5, Chapter 689, Acts of the 62nd  
16 Legislature, Regular Session, 1971, refers to Chapter  
17 54, Water Code. For the reader's convenience, the  
18 revised law adds a reference to Chapter 49, Water Code,  
19 because Chapter 715, Acts of the 74th Legislature,  
20 Regular Session, 1995, repealed many provisions of  
21 Chapter 54 and enacted similar provisions in Chapter  
22 49, Water Code, which applies to the district under  
23 Sections 49.001 and 49.002 of that chapter.

24 (5) Section 5, Chapter 689, Acts of the 62nd  
25 Legislature, Regular Session, 1971, provides that the  
26 act prevails over general law in case of a conflict or  
27 other inconsistency and that all general laws  
28 applicable to municipal utility districts not in  
29 conflict or inconsistent with the provisions of the  
30 act are adopted and incorporated by reference. The  
31 revised law omits the portion of the provision  
32 relating to the act prevailing over general law  
33 because it duplicates in substance Section 311.026(b),  
34 Government Code (Code Construction Act). The revised

1 law omits the portion of the provision relating to  
2 adoption and incorporation of general laws because  
3 Section 5 of Chapter 689 (revised as this section)  
4 already provides that those laws apply to the  
5 district, and it is unnecessary to repeat that  
6 authority. The omitted law reads:

7           Sec. 5. . . . if any provision of  
8 such general laws shall be in conflict or  
9 inconsistent with the provisions of this  
10 Act, the provisions of this Act shall  
11 prevail. All such general laws applicable  
12 to municipal utility districts not in  
13 conflict or inconsistent with the  
14 provisions of this Act are hereby adopted  
15 and incorporated by reference with the same  
16 effect as if copied in full in this Act.

17                           Revisor's Note  
18                           (End of Chapter)

19           (1) Section 7, Chapter 689, Acts of the 62nd  
20 Legislature, Regular Session, 1971, contains  
21 legislative findings relating to the performance of  
22 the requirements of Section 59(d), Article XVI, Texas  
23 Constitution, and to the authority of the legislature  
24 to enact that chapter. The revised law omits the  
25 provision as executed. The omitted law reads:

26           Sec. 7. The Legislature specifically  
27 finds and declares that the requirements of  
28 Article XVI, Section 59(d) of the  
29 Constitution of Texas have been performed  
30 and accomplished in due course and time and  
31 order, and that the Legislature has the  
32 power and authority to enact this Act.

33           (2) Section 8, Chapter 689, Acts of the 62nd  
34 Legislature, Regular Session, 1971, provides that the  
35 act is severable. The revised law omits that provision  
36 because it duplicates Section 311.032, Government Code  
37 (Code Construction Act), which provides that a  
38 provision of a statute is severable from each other  
39 provision of the statute that can be given effect. The  
40 omitted law reads:

41           Sec. 8. If any word, phrase, clause,  
42 paragraph, sentence, part, portion or  
43 provision of this Act or the application  
44 thereof to any persons or circumstances

1 shall be held to be invalid or  
2 unconstitutional, the remainder of the Act  
3 shall nevertheless be valid and the  
4 Legislature hereby declares that this Act  
5 would have been enacted without such  
6 invalid or unconstitutional word, phrase,  
7 clause, paragraph, sentence, part, portion  
8 or provision.

9 CHAPTER 8404. ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8404.001. DEFINITIONS . . . . . 901  
12 Sec. 8404.002. NATURE OF DISTRICT . . . . . 902  
13 Sec. 8404.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 903  
14 Sec. 8404.004. DISTRICT TERRITORY . . . . . 903

15 [Sections 8404.005-8404.050 reserved for expansion]

16 SUBCHAPTER B. BOARD OF DIRECTORS

17 Sec. 8404.051. COMPOSITION OF BOARD . . . . . 905  
18 Sec. 8404.052. BOARD VACANCY . . . . . 907

19 [Sections 8404.053-8404.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8404.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 908

22 CHAPTER 8404. ROMAN FOREST PUBLIC UTILITY DISTRICT NO. 3

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Revised Law

25 Sec. 8404.001. DEFINITIONS. In this chapter:

- 26 (1) "Board" means the district's board of directors.  
27 (2) "Director" means a member of the board.  
28 (3) "District" means the Roman Forest Public Utility

29 District No. 3. (Acts 62nd Leg., R.S., Ch. 668, Sec. 1 (part); New.)

30 Source Law

31 Sec. 1. . . . [a . . . district] . . . to be  
32 known as "Roman Forest Public Utility District No. 3,"  
33 hereinafter called the "district," . . . .

34 Revisor's Note

35 The definitions of "board" and "director" are  
36 added to the revised law for drafting convenience and  
37 to eliminate frequent, unnecessary repetition of the  
38 substance of the definitions.



1 Revised Law

2 Sec. 8404.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
3 The district is created to serve a public use and benefit.

4 (b) All land and other property included in the boundaries  
5 of the district will benefit from the works and projects  
6 accomplished by the district under the powers conferred by Section  
7 59, Article XVI, Texas Constitution.

8 (c) The creation of the district is essential to accomplish  
9 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
10 62nd Leg., R.S., Ch. 668, Secs. 1 (part), 3.)

11 Source Law

12 Sec. 1. . . . The creation and establishment of  
13 the district is hereby declared to be essential to the  
14 accomplishment of the purposes of Article XVI, Section  
15 59 of the Constitution of Texas.

16 Sec. 3. It is determined and found that all of  
17 the land and other property included within the area  
18 and boundaries of the district will be benefited by the  
19 works and project which are to be accomplished by the  
20 district pursuant to the powers conferred by the  
21 provisions of Article XVI, Section 59 of the  
22 Constitution of Texas, and that said district is  
23 created to serve a public use and benefit.

24 Revisor's Note

25 (1) Section 1, Chapter 668, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides that the  
27 "creation and establishment" of the district are  
28 essential to accomplish the purposes of Section 59,  
29 Article XVI, Texas Constitution. The revised law  
30 omits "establishment" because its meaning is included  
31 in the meaning of "creation."

32 (2) Section 3, Chapter 668, Acts of the 62nd  
33 Legislature, Regular Session, 1971, refers to land and  
34 other property included within the "area and  
35 boundaries of the district." The revised law omits the  
36 reference to "area" because, in context, "area" is  
37 included in the meaning of "boundaries."

38 Revised Law

39 Sec. 8404.004. DISTRICT TERRITORY. (a) The district is

1 composed of the territory described by Section 4, Chapter 668, Acts  
2 of the 62nd Legislature, Regular Session, 1971, as that territory  
3 may have been modified under:

4 (1) Subchapter H, Chapter 54, Water Code;

5 (2) Subchapter J, Chapter 49, Water Code; or

6 (3) other law.

7 (b) The boundaries and field notes of the district form a  
8 closure. A mistake in copying the field notes in the legislative  
9 process or another mistake in the field notes does not affect:

10 (1) the district's organization, existence, or  
11 validity;

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

15 (3) the district's right to impose a tax; or

16 (4) the legality or operation of the district or its  
17 governing body. (Acts 62nd Leg., R.S., Ch. 668, Sec. 2; New.)

18 Source Law

19 Sec. 2. It is determined and found that the  
20 boundaries and field notes of the district form a  
21 closure. If any mistake is made in copying the field  
22 notes in the legislative process or otherwise a  
23 mistake is made in the field notes, it shall in no way  
24 affect the organization, existence and validity of the  
25 district, or the right of the district to issue any  
26 type of bonds or refunding bonds for the purposes for  
27 which the district is created or to pay the principal  
28 and interest thereon, or the right to assess, levy and  
29 collect taxes, or in any other manner affect the  
30 legality or operation of the district or its governing  
31 body.

32 Revisor's Note

33 (1) The revision of the law governing the  
34 district does not revise the statutory language  
35 describing the territory of the district to avoid the  
36 lengthy recitation of the description and because that  
37 description may not be accurate on the effective date  
38 of the revision or at the time of a later reading. For  
39 the reader's convenience, the revised law includes  
40 references to the statutory description of the

1 district's territory and to the authority to change the  
2 district's territory under Subchapter H, Chapter 54,  
3 Water Code, applicable to municipal utility districts,  
4 and under Subchapter J, Chapter 49, Water Code,  
5 applicable to the district under Sections 49.001 and  
6 49.002 of that chapter. The revised law also includes  
7 a reference to the general authority of the  
8 legislature to enact a law to change the district's  
9 territory.

10 (2) Section 2, Chapter 668, Acts of the 62nd  
11 Legislature, Regular Session, 1971, provides that a  
12 mistake in the description of the district boundaries  
13 does not affect the right of the district to issue "any  
14 type of bonds or refunding bonds." The revised law  
15 omits the reference to "refunding bonds" because  
16 refunding bonds are included in the meaning of "any  
17 type of bonds."

18 (3) Section 2, Chapter 668, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to the  
20 district's authority to "assess, levy and collect"  
21 taxes. The revised law substitutes "impose" for  
22 "assess, levy and collect" because "impose" is the  
23 term generally used in Title 1, Tax Code, and includes  
24 the assessment, levy, and collection of a tax.

25 [Sections 8404.005-8404.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Revised Law

28 Sec. 8404.051. COMPOSITION OF BOARD. The board is composed  
29 of five elected directors. (Acts 62nd Leg., R.S., Ch. 668, Sec. 6  
30 (part).)

31 Source Law

32 Sec. 6. . . . Succeeding directors shall be  
33 elected or . . . .

34 Revisor's Note

35 (1) Section 6, Chapter 668, Acts of the 62nd

1 Legislature, Regular Session, 1971, refers to the  
2 initial board of directors and that board's vacancy  
3 procedures. The revised law omits the language as  
4 executed. The omitted law reads:

5           Sec. 6. Immediately after this Act  
6 becomes effective, the following named  
7 persons shall be the directors of the  
8 district and shall constitute the board of  
9 directors of the district:

10           James D. Carlton  
11           C. P. Embrey  
12           Gerry States  
13           Hubert Smith  
14           George Paul Miles

15           Said persons shall qualify to serve as  
16 directors prior to the first meeting of the  
17 board of directors. Should any of the above  
18 named directors fail to qualify for any  
19 reason, the remaining named directors shall  
20 appoint someone to fill such vacancy or  
21 vacancies; . . . . The directors above  
22 named or their duly appointed and qualified  
23 successor or successors shall serve until  
24 the second Saturday in January, 1973. . . .

25           (2) Section 6, Chapter 668, Acts of the 62nd  
26 Legislature, Regular Session, 1971, refers to  
27 "[s]ucceeding directors" to distinguish the  
28 succeeding directors from the initial directors named  
29 in that section. The revised law substitutes "five"  
30 for "succeeding" to conform to the number of directors  
31 listed in Section 6 (establishing the initial board).

32           (3) Section 6, Chapter 668, Acts of the 62nd  
33 Legislature, Regular Session, 1971, provides for  
34 directors to be elected or appointed and to serve for  
35 the term and in the manner provided by Chapter 54,  
36 Water Code. Chapter 715, Acts of the 74th Legislature,  
37 Regular Session, 1995, repealed the relevant  
38 provisions of Chapter 54 and enacted similar  
39 provisions in Chapter 49, Water Code, including  
40 Section 49.103, which governs the terms of office and  
41 manner of election of directors of a municipal utility  
42 district that is required by law to elect its  
43 directors. The revised law omits any reference to  
44 Chapter 49, Water Code, because Chapter 49 applies to

1 the district under Sections 49.001 and 49.002 of that  
2 chapter. The revised law also omits "appointed"  
3 because it is clear from the context of Section 6 that  
4 the reference applies only to directors appointed to  
5 fill vacancies as provided by Chapter 49, Water Code.  
6 The omitted law reads:

7           Sec. 6. . . . [Succeeding directors  
8           shall be elected or] appointed and shall  
9           serve for the term and in the manner  
10          provided by Chapter 54, Title 4, Water Code.

11                           Revised Law

12          Sec. 8404.052. BOARD VACANCY. (a) Except as provided by  
13 Subsection (b), a vacancy in the office of director shall be filled  
14 in the manner provided by Section 49.105, Water Code.

15          (b) The Texas Commission on Environmental Quality shall  
16 appoint directors to fill all of the vacancies on the board whenever  
17 the number of qualified directors is fewer than three. (Acts 62nd  
18 Leg., R.S., Ch. 668, Sec. 6 (part); New.)

19                           Source Law

20          Sec. 6. . . . [Should any of the above named  
21 directors fail to qualify for any reason, the  
22 remaining named directors shall appoint someone to  
23 fill such vacancy or vacancies;] provided, however,  
24 that if at any time the number of qualified directors  
25 shall be less than three because of the failure or  
26 refusal of one or more directors to qualify or serve or  
27 because of his or their death or incapacitation, or for  
28 any such other reason, the Texas Water Rights  
29 Commission shall appoint the necessary number of  
30 directors to fill all vacancies on the board. . . .

31                           Revisor's Note

32          (1) Section 6, Chapter 668, Acts of the 62nd  
33 Legislature, Regular Session, 1971, refers to a  
34 vacancy in the office of director "because of the  
35 failure or refusal of one or more directors to qualify  
36 or serve or because of his or their death or  
37 incapacitation, or for any such other reason." The  
38 revised law omits the quoted language because it  
39 merely describes every manner in which a board vacancy  
40 may occur without limiting in any way the duty to fill  
41 the vacancy.



1 exercise" certain powers. The revised law substitutes  
2 "has" for the quoted language because, in context, the  
3 terms are synonymous and "has" is more commonly used.

4 (2) Section 5, Chapter 668, Acts of the 62nd  
5 Legislature, Regular Session, 1971, refers to the  
6 "rights, powers, privileges, [and] authority" of the  
7 district. The revised law omits the reference to  
8 "authority" because, in context, "authority" is  
9 included in the meaning of "rights, powers, [and]  
10 privileges."

11 (3) Section 5, Chapter 668, Acts of the 62nd  
12 Legislature, Regular Session, 1971, grants the  
13 district certain powers, "including without  
14 limitation those conferred by Chapter 54, Title 4,  
15 Water Code." The revised law omits "without  
16 limitation" because Section 311.005(13), Government  
17 Code (Code Construction Act), provides that "includes"  
18 and "including" are terms of enlargement and not of  
19 limitation and do not create a presumption that  
20 components not expressed are excluded.

21 (4) Section 5, Chapter 668, Acts of the 62nd  
22 Legislature, Regular Session, 1971, refers to Chapter  
23 54, Water Code. For the reader's convenience, the  
24 revised law adds a reference to Chapter 49, Water Code,  
25 because Chapter 715, Acts of the 74th Legislature,  
26 Regular Session, 1995, repealed many provisions of  
27 Chapter 54 and enacted similar provisions in Chapter  
28 49, Water Code, which applies to the district under  
29 Sections 49.001 and 49.002 of that chapter.

30 (5) Section 5, Chapter 668, Acts of the 62nd  
31 Legislature, Regular Session, 1971, provides that the  
32 act prevails over general law in case of a conflict or  
33 other inconsistency and that all general laws  
34 applicable to municipal utility districts not in

1 conflict or inconsistent with the provisions of the  
2 act are adopted and incorporated by reference. The  
3 revised law omits the portion of the provision  
4 relating to the act prevailing over general law  
5 because it duplicates in substance Section 311.026(b),  
6 Government Code (Code Construction Act). The revised  
7 law omits the portion of the provision relating to  
8 adoption and incorporation of general laws because  
9 Section 5 of Chapter 668 (revised as this section)  
10 already provides that those laws apply to the  
11 district, and it is unnecessary to repeat that  
12 authority. The omitted law reads:

13           Sec. 5. . . . if any provision of  
14 such general laws shall be in conflict or  
15 inconsistent with the provisions of this  
16 Act, the provisions of this Act shall  
17 prevail. All such general laws applicable  
18 to municipal utility districts not in  
19 conflict or inconsistent with the  
20 provisions of this Act are hereby adopted  
21 and incorporated by reference with the same  
22 effect as if copied in full in this Act.

23                           Revisor's Note  
24                           (End of Chapter)

25           (1) Section 7, Chapter 668, Acts of the 62nd  
26 Legislature, Regular Session, 1971, contains  
27 legislative findings relating to the performance of  
28 the requirements of Section 59(d), Article XVI, Texas  
29 Constitution, and to the authority of the legislature  
30 to enact that chapter. The revised law omits the  
31 provision as executed. The omitted law reads:

32           Sec. 7. The Legislature specifically  
33 finds and declares that the requirements of  
34 Article XVI, Section 59(d) of the  
35 Constitution of Texas have been performed  
36 and accomplished in due course and time and  
37 order, and that the Legislature has the  
38 power and authority to enact this Act.

39           (2) Section 8, Chapter 668, Acts of the 62nd  
40 Legislature, Regular Session, 1971, provides that the  
41 act is severable. The revised law omits that provision  
42 because it duplicates Section 311.032, Government Code



1 Revisor's Note

2 The definitions of "board" and "director" are  
3 added to the revised law for drafting convenience and  
4 to eliminate frequent, unnecessary repetition of the  
5 substance of the definitions.

6 Revised Law

7 Sec. 8405.002. NATURE OF DISTRICT. The district is a  
8 conservation and reclamation district in Montgomery County created  
9 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
10 R.S., Ch. 669, Sec. 1 (part).)

11 Source Law

12 Sec. 1. . . . there is hereby created and  
13 established, under and pursuant to the provisions of  
14 Article XVI, Section 59 of the Constitution of Texas, a  
15 conservation and reclamation district in Montgomery  
16 County, Texas, . . . which shall be a governmental  
17 agency and a body politic and corporate. . . .

18 Revisor's Note

19 (1) Section 1, Chapter 669, Acts of the 62nd  
20 Legislature, Regular Session, 1971, provides that the  
21 district is "created and established." The revised  
22 law omits "established" because the meaning of that  
23 word is included in the meaning of "created."

24 (2) Section 1, Chapter 669, Acts of the 62nd  
25 Legislature, Regular Session, 1971, provides that the  
26 district is created notwithstanding certain laws  
27 relating to consent. The revised law omits that  
28 provision as executed because the district has been  
29 created. The omitted law reads:

30 Sec. 1. Notwithstanding provisions  
31 of the general laws relating to consent by  
32 political subdivisions for the creation of  
33 conservation and reclamation districts,  
34 [there is hereby created . . . a  
35 conservation and reclamation district]  
36 . . . .

37 (3) Section 1, Chapter 669, Acts of the 62nd  
38 Legislature, Regular Session, 1971, refers to the  
39 district as "a governmental agency and a body politic  
40 and corporate." The revised law omits the quoted

1 language because it duplicates a portion of Section  
2 59(b), Article XVI, Texas Constitution, which provides  
3 that a conservation and reclamation district is a  
4 governmental agency and a body politic and corporate.

5 Revised Law

6 Sec. 8405.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
7 The district is created to serve a public use and benefit.

8 (b) All land and other property included in the boundaries  
9 of the district will benefit from the works and projects  
10 accomplished by the district under the powers conferred by Section  
11 59, Article XVI, Texas Constitution.

12 (c) The creation of the district is essential to accomplish  
13 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
14 62nd Leg., R.S., Ch. 669, Secs. 1 (part), 3.)

15 Source Law

16 Sec. 1. . . . The creation and establishment of  
17 the district is hereby declared to be essential to the  
18 accomplishment of the purposes of Article XVI, Section  
19 59 of the Constitution of Texas.

20 Sec. 3. It is determined and found that all of  
21 the land and other property included within the area  
22 and boundaries of the district will be benefited by the  
23 works and project which are to be accomplished by the  
24 district pursuant to the powers conferred by the  
25 provisions of Article XVI, Section 59 of the  
26 Constitution of Texas, and that said district is  
27 created to serve a public use and benefit.

28 Revisor's Note

29 (1) Section 1, Chapter 669, Acts of the 62nd  
30 Legislature, Regular Session, 1971, provides that the  
31 "creation and establishment" of the district are  
32 essential to accomplish the purposes of Section 59,  
33 Article XVI, Texas Constitution. The revised law  
34 omits "establishment" because its meaning is included  
35 in the meaning of "creation."

36 (2) Section 3, Chapter 669, Acts of the 62nd  
37 Legislature, Regular Session, 1971, refers to land and  
38 other property included within the "area and  
39 boundaries of the district." The revised law omits the

1 reference to "area" because, in context, "area" is  
2 included in the meaning of "boundaries."

3 Revised Law

4 Sec. 8405.004. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Section 4, Chapter 669, Acts  
6 of the 62nd Legislature, Regular Session, 1971, as that territory  
7 may have been modified under:

- 8 (1) Subchapter H, Chapter 54, Water Code;  
9 (2) Subchapter J, Chapter 49, Water Code; or  
10 (3) other law.

11 (b) The boundaries and field notes of the district form a  
12 closure. A mistake in copying the field notes in the legislative  
13 process or another mistake in the field notes does not affect:

- 14 (1) the district's organization, existence, or  
15 validity;  
16 (2) the district's right to issue any type of bond for  
17 a purpose for which the district is created or to pay the principal  
18 of and interest on the bond;  
19 (3) the district's right to impose a tax; or  
20 (4) the legality or operation of the district or its  
21 governing body. (Acts 62nd Leg., R.S., Ch. 669, Sec. 2; New.)

22 Source Law

23 Sec. 2. It is determined and found that the  
24 boundaries and field notes of the district form a  
25 closure. If any mistake is made in copying the field  
26 notes in the legislative process or otherwise a  
27 mistake is made in the field notes, it shall in no way  
28 affect the organization, existence and validity of the  
29 district, or the right of the district to issue any  
30 type of bonds or refunding bonds for the purposes for  
31 which the district is created or to pay the principal  
32 and interest thereon, or the right to assess, levy and  
33 collect taxes, or in any other manner affect the  
34 legality or operation of the district or its governing  
35 body.

36 Revisor's Note

37 (1) The revision of the law governing the  
38 district does not revise the statutory language  
39 describing the territory of the district to avoid the  
40 lengthy recitation of the description and because that

1 description may not be accurate on the effective date  
2 of the revision or at the time of a later reading. For  
3 the reader's convenience, the revised law includes  
4 references to the statutory description of the  
5 district's territory and to the authority to change the  
6 district's territory under Subchapter H, Chapter 54,  
7 Water Code, applicable to municipal utility districts,  
8 and under Subchapter J, Chapter 49, Water Code,  
9 applicable to the district under Sections 49.001 and  
10 49.002 of that chapter. The revised law also includes  
11 a reference to the general authority of the  
12 legislature to enact a law to change the district's  
13 territory.

14 (2) Section 2, Chapter 669, Acts of the 62nd  
15 Legislature, Regular Session, 1971, provides that a  
16 mistake in the description of the district boundaries  
17 does not affect the right of the district to issue "any  
18 type of bonds or refunding bonds." The revised law  
19 omits the reference to "refunding bonds" because  
20 refunding bonds are included in the meaning of "any  
21 type of bonds."

22 (3) Section 2, Chapter 669, Acts of the 62nd  
23 Legislature, Regular Session, 1971, refers to the  
24 district's authority to "assess, levy and collect"  
25 taxes. The revised law substitutes "impose" for  
26 "assess, levy and collect" because "impose" is the  
27 term generally used in Title 1, Tax Code, and includes  
28 the assessment, levy, and collection of a tax.

29 [Sections 8405.005-8405.050 reserved for expansion]

#### 30 SUBCHAPTER B. BOARD OF DIRECTORS

##### 31 Revised Law

32 Sec. 8405.051. COMPOSITION OF BOARD. The board is composed  
33 of five elected directors. (Acts 62nd Leg., R.S., Ch. 669, Sec. 6  
34 (part).)



1 Section 49.103, which governs the terms of office and  
2 manner of election of directors of a municipal utility  
3 district that is required by law to elect its  
4 directors. The revised law omits any reference to  
5 Chapter 49, Water Code, because Chapter 49 applies to  
6 the district under Sections 49.001 and 49.002 of that  
7 chapter. The revised law also omits "appointed"  
8 because it is clear from the context of Section 6 that  
9 the reference applies only to directors appointed to  
10 fill vacancies as provided by Chapter 49, Water Code.  
11 The omitted law reads:

12           Sec. 6. . . . [Succeeding directors  
13           shall be elected or] appointed and shall  
14           serve for the term and in the manner  
15           provided by Chapter 54, Title 4, Water Code.

16                           Revised Law

17           Sec. 8405.052. BOARD VACANCY. (a) Except as provided by  
18 Subsection (b), a vacancy in the office of director shall be filled  
19 in the manner provided by Section 49.105, Water Code.

20           (b) The Texas Commission on Environmental Quality shall  
21 appoint directors to fill all of the vacancies on the board whenever  
22 the number of qualified directors is fewer than three. (Acts 62nd  
23 Leg., R.S., Ch. 669, Sec. 6 (part); New.)

24                           Source Law

25           Sec. 6. . . . [Should any of the above named  
26           directors fail to qualify for any reason, the  
27           remaining named directors shall appoint someone to  
28           fill such vacancy or vacancies;] provided, however,  
29           that if at any time the number of qualified directors  
30           shall be less than three because of the failure or  
31           refusal of one or more directors to qualify or serve or  
32           because of his or their death or incapacitation, or for  
33           any such other reason, the Texas Water Rights  
34           Commission shall appoint the necessary number of  
35           directors to fill all vacancies on the board. . . .

36                           Revisor's Note

37           (1) Section 6, Chapter 669, Acts of the 62nd  
38 Legislature, Regular Session, 1971, refers to a  
39 vacancy in the office of director "because of the  
40 failure or refusal of one or more directors to qualify  
41 or serve or because of his or their death or



1 . . . .

2 Revisor's Note

3 (1) Section 5, Chapter 669, Acts of the 62nd  
4 Legislature, Regular Session, 1971, provides that the  
5 district "is hereby vested with, and shall have and  
6 exercise" certain powers. The revised law substitutes  
7 "has" for the quoted language because, in context, the  
8 terms are synonymous and "has" is more commonly used.

9 (2) Section 5, Chapter 669, Acts of the 62nd  
10 Legislature, Regular Session, 1971, refers to the  
11 "rights, powers, privileges, [and] authority" of the  
12 district. The revised law omits the reference to  
13 "authority" because, in context, "authority" is  
14 included in the meaning of "rights, powers, [and]  
15 privileges."

16 (3) Section 5, Chapter 669, Acts of the 62nd  
17 Legislature, Regular Session, 1971, grants the  
18 district certain powers, "including without  
19 limitation those conferred by Chapter 54, Title 4,  
20 Water Code." The revised law omits "without  
21 limitation" because Section 311.005(13), Government  
22 Code (Code Construction Act), provides that "includes"  
23 and "including" are terms of enlargement and not of  
24 limitation and do not create a presumption that  
25 components not expressed are excluded.

26 (4) Section 5, Chapter 669, Acts of the 62nd  
27 Legislature, Regular Session, 1971, refers to Chapter  
28 54, Water Code. For the reader's convenience, the  
29 revised law adds a reference to Chapter 49, Water Code,  
30 because Chapter 715, Acts of the 74th Legislature,  
31 Regular Session, 1995, repealed many provisions of  
32 Chapter 54 and enacted similar provisions in Chapter  
33 49, Water Code, which applies to the district under  
34 Sections 49.001 and 49.002 of that chapter.

35 (5) Section 5, Chapter 669, Acts of the 62nd

1 Legislature, Regular Session, 1971, provides that the  
2 act prevails over general law in case of a conflict or  
3 other inconsistency and that all general laws  
4 applicable to municipal utility districts not in  
5 conflict or inconsistent with the provisions of the  
6 act are adopted and incorporated by reference. The  
7 revised law omits the portion of the provision  
8 relating to the act prevailing over general law  
9 because it duplicates in substance Section 311.026(b),  
10 Government Code (Code Construction Act). The revised  
11 law omits the portion of the provision relating to  
12 adoption and incorporation of general laws because  
13 Section 5 of Chapter 669 (revised as this section)  
14 already provides that those laws apply to the  
15 district, and it is unnecessary to repeat that  
16 authority. The omitted law reads:

17           Sec. 5. . . . if any provision of  
18 such general laws shall be in conflict or  
19 inconsistent with the provisions of this  
20 Act, the provisions of this Act shall  
21 prevail. All such general laws applicable  
22 to municipal utility districts not in  
23 conflict or inconsistent with the  
24 provisions of this Act are hereby adopted  
25 and incorporated by reference with the same  
26 effect as if copied in full in this Act.

27                           Revisor's Note  
28                           (End of Chapter)

29           (1) Section 7, Chapter 669, Acts of the 62nd  
30 Legislature, Regular Session, 1971, contains  
31 legislative findings relating to the performance of  
32 the requirements of Section 59(d), Article XVI, Texas  
33 Constitution, and to the authority of the legislature  
34 to enact that chapter. The revised law omits the  
35 provision as executed. The omitted law reads:

36           Sec. 7. The Legislature specifically  
37 finds and declares that the requirements of  
38 Article XVI, Section 59(d) of the  
39 Constitution of Texas have been performed  
40 and accomplished in due course and time and  
41 order, and that the Legislature has the  
42 power and authority to enact this Act.

1           (2) Section 8, Chapter 669, Acts of the 62nd  
2           Legislature, Regular Session, 1971, provides that the  
3           act is severable. The revised law omits that provision  
4           because it duplicates Section 311.032, Government Code  
5           (Code Construction Act), which provides that a  
6           provision of a statute is severable from each other  
7           provision of the statute that can be given effect. The  
8           omitted law reads:

9                        Sec. 8. If any word, phrase, clause,  
10                       paragraph, sentence, part, portion or  
11                       provision of this Act or the application  
12                       thereof to any persons or circumstances  
13                       shall be held to be invalid or  
14                       unconstitutional, the remainder of the Act  
15                       shall nevertheless be valid and the  
16                       Legislature hereby declares that this Act  
17                       would have been enacted without such  
18                       invalid or unconstitutional word, phrase,  
19                       clause, paragraph, sentence, part, portion  
20                       or provision.

21           CHAPTER 8406. SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

22                       SUBCHAPTER A. GENERAL PROVISIONS

23   Sec. 8406.001.   DEFINITIONS . . . . . 921  
24   Sec. 8406.002.   NATURE OF DISTRICT . . . . . 922  
25   Sec. 8406.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 923  
26   Sec. 8406.004.   DISTRICT TERRITORY . . . . . 924

27                       [Sections 8406.005-8406.050 reserved for expansion]

28                       SUBCHAPTER B. BOARD OF DIRECTORS

29   Sec. 8406.051.   COMPOSITION OF BOARD . . . . . 926  
30   Sec. 8406.052.   BOARD VACANCY . . . . . 927

31                       [Sections 8406.053-8406.100 reserved for expansion]

32                       SUBCHAPTER C. POWERS AND DUTIES

33   Sec. 8406.101.   MUNICIPAL UTILITY DISTRICT POWERS . . . . . 928

34           CHAPTER 8406. SPRING CREEK FOREST PUBLIC UTILITY DISTRICT

35                       SUBCHAPTER A. GENERAL PROVISIONS

36                                       Revised Law

37           Sec. 8406.001.   DEFINITIONS. In this chapter:

- 38                       (1) "Board" means the district's board of directors.  
39                       (2) "Director" means a member of the board.  
40                       (3) "District" means the Spring Creek Forest Public

1 Utility District. (Acts 62nd Leg., R.S., Ch. 630, Sec. 1 (part);  
2 New.)

3 Source Law

4 Sec. 1. . . . [a . . . district] . . . to be  
5 known as "Spring Creek Forest Public Utility  
6 District," hereinafter called the "district," . . . .

7 Revisor's Note

8 The definitions of "board" and "director" are  
9 added to the revised law for drafting convenience and  
10 to eliminate frequent, unnecessary repetition of the  
11 substance of the definitions.

12 Revised Law

13 Sec. 8406.002. NATURE OF DISTRICT. The district is a  
14 conservation and reclamation district in Harris County created  
15 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
16 R.S., Ch. 630, Sec. 1 (part).)

17 Source Law

18 Sec. 1. . . . there is hereby created and  
19 established, under and pursuant to the provisions of  
20 Article XVI, Section 59 of the Constitution of Texas, a  
21 conservation and reclamation district in Harris  
22 County, Texas, . . . which shall be a governmental  
23 agency and a body politic and corporate. . . .

24 Revisor's Note

25 (1) Section 1, Chapter 630, Acts of the 62nd  
26 Legislature, Regular Session, 1971, provides that the  
27 district is "created and established." The revised  
28 law omits "established" because the meaning of that  
29 word is included in the meaning of "created."

30 (2) Section 1, Chapter 630, Acts of the 62nd  
31 Legislature, Regular Session, 1971, provides that the  
32 district is created notwithstanding certain laws  
33 relating to consent. The revised law omits that  
34 provision as executed because the district has been  
35 created. The omitted law reads:

36 Sec. 1. Notwithstanding provisions  
37 of the general laws relating to consent by  
38 political subdivisions for the creation of  
39 conservation and reclamation districts,  
40 [there is hereby created . . . a

1 conservation and reclamation district]  
2 . . . .

3 (3) Section 1, Chapter 630, Acts of the 62nd  
4 Legislature, Regular Session, 1971, refers to the  
5 district as "a governmental agency and a body politic  
6 and corporate." The revised law omits the quoted  
7 language because it duplicates a portion of Section  
8 59(b), Article XVI, Texas Constitution, which provides  
9 that a conservation and reclamation district is a  
10 governmental agency and a body politic and corporate.

11 Revised Law

12 Sec. 8406.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
13 The district is created to serve a public use and benefit.

14 (b) All land and other property included in the boundaries  
15 of the district will benefit from the works and projects  
16 accomplished by the district under the powers conferred by Section  
17 59, Article XVI, Texas Constitution.

18 (c) The creation of the district is essential to accomplish  
19 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
20 62nd Leg., R.S., Ch. 630, Secs. 1 (part), 3.)

21 Source Law

22 Sec. 1. . . . The creation and establishment of  
23 the district is hereby declared to be essential to the  
24 accomplishment of the purposes of Article XVI, Section  
25 59 of the Constitution of Texas.

26 Sec. 3. It is determined and found that all of  
27 the land and other property included within the area  
28 and boundaries of the district will be benefited by the  
29 works and project which are to be accomplished by the  
30 district pursuant to the powers conferred by the  
31 provisions of Article XVI, Section 59 of the  
32 Constitution of Texas, and that said district is  
33 created to serve a public use and benefit.

34 Revisor's Note

35 (1) Section 1, Chapter 630, Acts of the 62nd  
36 Legislature, Regular Session, 1971, provides that the  
37 "creation and establishment" of the district are  
38 essential to accomplish the purposes of Section 59,  
39 Article XVI, Texas Constitution. The revised law  
40 omits "establishment" because its meaning is included

1 in the meaning of "creation."

2 (2) Section 3, Chapter 630, Acts of the 62nd  
3 Legislature, Regular Session, 1971, refers to land and  
4 other property included within the "area and  
5 boundaries of the district." The revised law omits the  
6 reference to "area" because, in context, "area" is  
7 included in the meaning of "boundaries."

8 Revised Law

9 Sec. 8406.004. DISTRICT TERRITORY. (a) The district is  
10 composed of the territory described by Section 4, Chapter 630, Acts  
11 of the 62nd Legislature, Regular Session, 1971, as that territory  
12 may have been modified under:

13 (1) Subchapter H, Chapter 54, Water Code;

14 (2) Subchapter J, Chapter 49, Water Code; or

15 (3) other law.

16 (b) The boundaries and field notes of the district form a  
17 closure. A mistake in copying the field notes in the legislative  
18 process or another mistake in the field notes does not affect:

19 (1) the district's organization, existence, or  
20 validity;

21 (2) the district's right to issue any type of bond for  
22 a purpose for which the district is created or to pay the principal  
23 of and interest on the bond;

24 (3) the district's right to impose a tax; or

25 (4) the legality or operation of the district or its  
26 governing body. (Acts 62nd Leg., R.S., Ch. 630, Sec. 2; New.)

27 Source Law

28 Sec. 2. It is determined and found that the  
29 boundaries and field notes of the district form a  
30 closure. If any mistake is made in copying the field  
31 notes in the legislative process or otherwise a  
32 mistake is made in the field notes, it shall in no way  
33 affect the organization, existence and validity of the  
34 district, or the right of the district to issue any  
35 type of bonds or refunding bonds for the purposes for  
36 which the district is created or to pay the principal  
37 and interest thereon, or the right to assess, levy and  
38 collect taxes, or in any other manner affect the  
39 legality or operation of the district or its governing  
40 body.

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 on the effective date  
7 of the revision or at the time of a later reading. For  
8 the reader's convenience, the revised law includes  
9 references to the statutory description of the  
10 district's territory and to the authority to change the  
11 district's territory under Subchapter H, Chapter 54,  
12 Water Code, applicable to municipal utility districts,  
13 and under Subchapter J, Chapter 49, Water Code,  
14 applicable to the district under Sections 49.001 and  
15 49.002 of that chapter. The revised law also includes  
16 a reference to the general authority of the  
17 legislature to enact a law to change the district's  
18 territory.

19 (2) Section 2, Chapter 630, Acts of the 62nd  
20 Legislature, Regular Session, 1971, provides that a  
21 mistake in the description of the district boundaries  
22 does not affect the right of the district to issue "any  
23 type of bonds or refunding bonds." The revised law  
24 omits the reference to "refunding bonds" because  
25 refunding bonds are included in the meaning of "any  
26 type of bonds."

27 (3) Section 2, Chapter 630, Acts of the 62nd  
28 Legislature, Regular Session, 1971, refers to the  
29 district's authority to "assess, levy and collect"  
30 taxes. The revised law substitutes "impose" for  
31 "assess, levy and collect" because "impose" is the  
32 term generally used in Title 1, Tax Code, and includes  
33 the assessment, levy, and collection of a tax.

34 [Sections 8406.005-8406.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 8406.051. COMPOSITION OF BOARD. The board is composed  
4 of five elected directors. (Acts 62nd Leg., R.S., Ch. 630, Sec. 6  
5 (part).)

6 Source Law

7 Sec. 6. . . . Succeeding directors shall be  
8 elected or . . . .

9 Revisor's Note

10 (1) Section 6, Chapter 630, Acts of the 62nd  
11 Legislature, Regular Session, 1971, refers to the  
12 initial board of directors and that board's vacancy  
13 procedures. The revised law omits the language as  
14 executed. The omitted law reads:

15 Sec. 6. Immediately after this Act  
16 becomes effective, the following named  
17 persons shall be the directors of the  
18 district and shall constitute the board of  
19 directors of the district:

20 Dudley Wayne Hargrove, Sr.  
21 David L. Brown  
22 Archie B. Carroll  
23 Harry R. Jones, Jr.  
24 Glenn D. Graff

25 Said persons shall qualify to serve as  
26 directors prior to the first meeting of the  
27 board of directors. Should any of the above  
28 named directors fail to qualify for any  
29 reason, the remaining named directors shall  
30 appoint someone to fill such vacancy or  
31 vacancies; . . . . The directors above  
32 named or their duly appointed and qualified  
33 successor or successors shall serve until  
34 the second Saturday in January, 1973. . . .

35 (2) Section 6, Chapter 630, Acts of the 62nd  
36 Legislature, Regular Session, 1971, refers to  
37 "[s]ucceeding directors" to distinguish the  
38 succeeding directors from the initial directors named  
39 in that section. The revised law substitutes "five"  
40 for "succeeding" to conform to the number of directors  
41 listed in Section 6 (establishing the initial board).

42 (3) Section 6, Chapter 630, Acts of the 62nd  
43 Legislature, Regular Session, 1971, provides for  
44 directors to be elected or appointed and to serve for



1 Revisor's Note

2 (1) Section 6, Chapter 630, Acts of the 62nd  
3 Legislature, Regular Session, 1971, refers to a  
4 vacancy in the office of director "because of the  
5 failure or refusal of one or more directors to qualify  
6 or serve or because of his or their death or  
7 incapacitation, or for any such other reason." The  
8 revised law omits the quoted language because it  
9 merely describes every manner in which a board vacancy  
10 may occur without limiting in any way the duty to fill  
11 the vacancy.

12 (2) Section 6, Chapter 630, Acts of the 62nd  
13 Legislature, Regular Session, 1971, governs the manner  
14 in which multiple board vacancies are filled. Section  
15 49.105, Water Code, governs the manner of filling a  
16 vacancy in the office of director of certain  
17 districts, including a municipal utility district.  
18 Chapter 49, Water Code, applies to the district under  
19 Sections 49.001 and 49.002 of that chapter. For that  
20 reason and for the convenience of the reader, the  
21 revised law adds a reference to Section 49.105.

22 (3) Section 6, Chapter 630, Acts of the 62nd  
23 Legislature, Regular Session, 1971, refers to the  
24 "Texas Water Rights Commission." The revised law  
25 substitutes "Texas Commission on Environmental  
26 Quality" for "Texas Water Rights Commission" to  
27 reflect the current name of the agency with the  
28 relevant regulatory authority.

29 [Sections 8406.053-8406.100 reserved for expansion]

30 SUBCHAPTER C. POWERS AND DUTIES

31 Revised Law

32 Sec. 8406.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
33 district has the rights, powers, privileges, and functions  
34 conferred by general law applicable to a municipal utility

1 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
2 Leg., R.S., Ch. 630, Sec. 5 (part); New.)

3 Source Law

4 Sec. 5. The district is hereby vested with, and  
5 shall have and exercise, all of the rights, powers,  
6 privileges, authority and functions conferred by the  
7 general laws of this state applicable to municipal  
8 utility districts, including without limitation those  
9 conferred by Chapter 54, Title 4, Water Code, but  
10 . . . .

11 Revisor's Note

12 (1) Section 5, Chapter 630, Acts of the 62nd  
13 Legislature, Regular Session, 1971, provides that the  
14 district "is hereby vested with, and shall have and  
15 exercise" certain powers. The revised law substitutes  
16 "has" for the quoted language because, in context, the  
17 terms are synonymous and "has" is more commonly used.

18 (2) Section 5, Chapter 630, Acts of the 62nd  
19 Legislature, Regular Session, 1971, refers to the  
20 "rights, powers, privileges, [and] authority" of the  
21 district. The revised law omits the reference to  
22 "authority" because, in context, "authority" is  
23 included in the meaning of "rights, powers, [and]  
24 privileges."

25 (3) Section 5, Chapter 630, Acts of the 62nd  
26 Legislature, Regular Session, 1971, grants the  
27 district certain powers, "including without  
28 limitation those conferred by Chapter 54, Title 4,  
29 Water Code." The revised law omits "without  
30 limitation" because Section 311.005(13), Government  
31 Code (Code Construction Act), provides that "includes"  
32 and "including" are terms of enlargement and not of  
33 limitation and do not create a presumption that  
34 components not expressed are excluded.

35 (4) Section 5, Chapter 630, Acts of the 62nd  
36 Legislature, Regular Session, 1971, refers to Chapter  
37 54, Water Code. For the reader's convenience, the

1 revised law adds a reference to Chapter 49, Water Code,  
2 because Chapter 715, Acts of the 74th Legislature,  
3 Regular Session, 1995, repealed many provisions of  
4 Chapter 54 and enacted similar provisions in Chapter  
5 49, Water Code, which applies to the district under  
6 Sections 49.001 and 49.002 of that chapter.

7 (5) Section 5, Chapter 630, Acts of the 62nd  
8 Legislature, Regular Session, 1971, provides that the  
9 act prevails over general law in case of a conflict or  
10 other inconsistency and that all general laws  
11 applicable to municipal utility districts not in  
12 conflict or inconsistent with the provisions of the  
13 act are adopted and incorporated by reference. The  
14 revised law omits the portion of the provision  
15 relating to the act prevailing over general law  
16 because it duplicates in substance Section 311.026(b),  
17 Government Code (Code Construction Act). The revised  
18 law omits the portion of the provision relating to  
19 adoption and incorporation of general laws because  
20 Section 5 of Chapter 630 (revised as this section)  
21 already provides that those laws apply to the  
22 district, and it is unnecessary to repeat that  
23 authority. The omitted law reads:

24 Sec. 5. . . . if any provision of  
25 such general laws shall be in conflict or  
26 inconsistent with the provisions of this  
27 Act, the provisions of this Act shall  
28 prevail. All such general laws applicable  
29 to municipal utility districts not in  
30 conflict or inconsistent with the  
31 provisions of this Act are hereby adopted  
32 and incorporated by reference with the same  
33 effect as if copied in full in this Act.

34 Revisor's Note  
35 (End of Chapter)

36 (1) Section 7, Chapter 630, Acts of the 62nd  
37 Legislature, Regular Session, 1971, contains  
38 legislative findings relating to the performance of  
39 the requirements of Section 59(d), Article XVI, Texas

1 Constitution, and to the authority of the legislature  
2 to enact that chapter. The revised law omits the  
3 provision as executed. The omitted law reads:

4           Sec. 7. The Legislature specifically  
5 finds and declares that the requirements of  
6 Article XVI, Section 59(d) of the  
7 Constitution of Texas have been performed  
8 and accomplished in due course and time and  
9 order, and that the Legislature has the  
10 power and authority to enact this Act.

11           (2) Section 8, Chapter 630, Acts of the 62nd  
12 Legislature, Regular Session, 1971, provides that the  
13 act is severable. The revised law omits that provision  
14 because it duplicates Section 311.032, Government Code  
15 (Code Construction Act), which provides that a  
16 provision of a statute is severable from each other  
17 provision of the statute that can be given effect. The  
18 omitted law reads:

19           Sec. 8. If any word, phrase, clause,  
20 paragraph, sentence, part, portion or  
21 provision of this Act or the application  
22 thereof to any persons or circumstances  
23 shall be held to be invalid or  
24 unconstitutional, the remainder of the Act  
25 shall nevertheless be valid and the  
26 Legislature hereby declares that this Act  
27 would have been enacted without such  
28 invalid or unconstitutional word, phrase,  
29 clause, paragraph, sentence, part, portion  
30 or provision.

31           CHAPTER 8407. SPRING CREEK UTILITY DISTRICT

32                   SUBCHAPTER A. GENERAL PROVISIONS

33 Sec. 8407.001. DEFINITIONS . . . . . 932  
34 Sec. 8407.002. NATURE OF DISTRICT . . . . . 932  
35 Sec. 8407.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 933  
36 Sec. 8407.004. DISTRICT TERRITORY . . . . . 934

37           [Sections 8407.005-8407.050 reserved for expansion]

38                   SUBCHAPTER B. BOARD OF DIRECTORS

39 Sec. 8407.051. COMPOSITION OF BOARD . . . . . 936  
40 Sec. 8407.052. BOARD VACANCY . . . . . 937

41           [Sections 8407.053-8407.100 reserved for expansion]

42                   SUBCHAPTER C. POWERS AND DUTIES

43 Sec. 8407.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 939

1 CHAPTER 8407. SPRING CREEK UTILITY DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 8407.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the district's board of directors.

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

7 (3) "District" means the Spring Creek Utility  
8 District. (Acts 62nd Leg., R.S., Ch. 682, Sec. 1 (part); New.)

9 Source Law

10 Sec. 1. . . . [a . . . district] . . . to be  
11 known as "Spring Creek Utility District," hereinafter  
12 called the "district," . . . .

13 Revisor's Note

14 The definitions of "board" and "director" are  
15 added to the revised law for drafting convenience and  
16 to eliminate frequent, unnecessary repetition of the  
17 substance of the definitions.

18 Revised Law

19 Sec. 8407.002. NATURE OF DISTRICT. The district is a  
20 conservation and reclamation district in Montgomery County created  
21 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
22 Leg., R.S., Ch. 682, Sec. 1 (part).)

23 Source Law

24 Sec. 1. . . . there is hereby created and  
25 established, under and pursuant to the provisions of  
26 Article XVI, Section 59 of the Constitution of Texas, a  
27 conservation and reclamation district in Montgomery  
28 County, Texas, . . . which shall be a governmental  
29 agency and a body politic and corporate. . . .

30 Revisor's Note

31 (1) Section 1, Chapter 682, Acts of the 62nd  
32 Legislature, Regular Session, 1971, provides that the  
33 district is "created and established." The revised  
34 law omits "established" because the meaning of that  
35 word is included in the meaning of "created."

36 (2) Section 1, Chapter 682, Acts of the 62nd  
37 Legislature, Regular Session, 1971, provides that the  
38 district is created notwithstanding certain laws

1 relating to consent. The revised law omits that  
2 provision as executed because the district has been  
3 created. The omitted law reads:

4           Sec. 1. Notwithstanding provisions  
5 of the general laws relating to consent by  
6 political subdivisions for the creation of  
7 conservation and reclamation districts,  
8 [there is hereby created . . . a  
9 conservation and reclamation district]  
10 . . . .

11           (3) Section 1, Chapter 682, Acts of the 62nd  
12 Legislature, Regular Session, 1971, refers to the  
13 district as "a governmental agency and a body politic  
14 and corporate." The revised law omits the quoted  
15 language because it duplicates a portion of Section  
16 59(b), Article XVI, Texas Constitution, which provides  
17 that a conservation and reclamation district is a  
18 governmental agency and a body politic and corporate.

19   Revised Law

20           Sec. 8407.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
21 The district is created to serve a public use and benefit.

22           (b) All land and other property included in the boundaries  
23 of the district will benefit from the works and projects  
24 accomplished by the district under the powers conferred by Section  
25 59, Article XVI, Texas Constitution.

26           (c) The creation of the district is essential to accomplish  
27 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
28 62nd Leg., R.S., Ch. 682, Secs. 1 (part), 3.)

29   Source Law

30           Sec. 1. . . . The creation and establishment of  
31 the district is hereby declared to be essential to the  
32 accomplishment of the purposes of Article XVI, Section  
33 59 of the Constitution of Texas.

34           Sec. 3. It is determined and found that all of  
35 the land and other property included within the area  
36 and boundaries of the district will be benefited by the  
37 works and project which are to be accomplished by the  
38 district pursuant to the powers conferred by the  
39 provisions of Article XVI, Section 59 of the  
40 Constitution of Texas, and that said district is  
41 created to serve a public use and benefit.

1 Revisor's Note

2 (1) Section 1, Chapter 682, Acts of the 62nd  
3 Legislature, Regular Session, 1971, provides that the  
4 "creation and establishment" of the district are  
5 essential to accomplish the purposes of Section 59,  
6 Article XVI, Texas Constitution. The revised law  
7 omits "establishment" because its meaning is included  
8 in the meaning of "creation."

9 (2) Section 3, Chapter 682, Acts of the 62nd  
10 Legislature, Regular Session, 1971, refers to land and  
11 other property included within the "area and  
12 boundaries of the district." The revised law omits the  
13 reference to "area" because, in context, "area" is  
14 included in the meaning of "boundaries."

15 Revised Law

16 Sec. 8407.004. DISTRICT TERRITORY. (a) The district is  
17 composed of the territory described by Section 4, Chapter 682, Acts  
18 of the 62nd Legislature, Regular Session, 1971, as that territory  
19 may have been modified under:

- 20 (1) Subchapter H, Chapter 54, Water Code;  
21 (2) Subchapter J, Chapter 49, Water Code; or  
22 (3) other law.

23 (b) The boundaries and field notes of the district form a  
24 closure. A mistake in copying the field notes in the legislative  
25 process or another mistake in the field notes does not affect:

- 26 (1) the district's organization, existence, or  
27 validity;  
28 (2) the district's right to issue any type of bond for  
29 a purpose for which the district is created or to pay the principal  
30 of and interest on the bond;  
31 (3) the district's right to impose a tax; or  
32 (4) the legality or operation of the district or its  
33 governing body. (Acts 62nd Leg., R.S., Ch. 682, Sec. 2; New.)



1           (3) Section 2, Chapter 682, Acts of the 62nd  
2           Legislature, Regular Session, 1971, refers to the  
3           district's authority to "assess, levy and collect"  
4           taxes. The revised law substitutes "impose" for  
5           "assess, levy and collect" because "impose" is the  
6           term generally used in Title 1, Tax Code, and includes  
7           the assessment, levy, and collection of a tax.

8           [Sections 8407.005-8407.050 reserved for expansion]

9                           SUBCHAPTER B. BOARD OF DIRECTORS

10   Revised Law

11           Sec. 8407.051. COMPOSITION OF BOARD. The board is composed  
12 of five elected directors. (Acts 62nd Leg., R.S., Ch. 682, Sec. 6  
13 (part).)

14   Source Law

15           Sec. 6. . . . Succeeding directors shall be  
16 elected or . . . .

17   Revisor's Note

18           (1) Section 6, Chapter 682, Acts of the 62nd  
19           Legislature, Regular Session, 1971, refers to the  
20           initial board of directors and that board's vacancy  
21           procedures. The revised law omits the language as  
22           executed. The omitted law reads:

23                           Sec. 6. Immediately after this Act  
24                           becomes effective, the following named  
25                           persons shall be the directors of the  
26                           district and shall constitute the board of  
27                           directors of the district:

28   Horace H. Norman  
29   James S. Norman, Jr.  
30   W. E. Martin  
31   James Bricker  
32   Norman Eaton

33                           Said persons shall qualify to serve as  
34                           directors prior to the first meeting of the  
35                           board of directors. Should any of the above  
36                           named directors fail to qualify for any  
37                           reason, the remaining named directors shall  
38                           appoint someone to fill such vacancy or  
39                           vacancies; . . . . The directors above  
40                           named or their duly appointed and qualified  
41                           successor or successors shall serve until  
42                           the second Saturday in January, 1973. . . .

43           (2) Section 6, Chapter 682, Acts of the 62nd  
44           Legislature, Regular Session, 1971, refers to



1 Leg., R.S., Ch. 682, Sec. 6 (part); New.)

2 Source Law

3 Sec. 6. . . . [Should any of the above named  
4 directors fail to qualify for any reason, the  
5 remaining named directors shall appoint someone to  
6 fill such vacancy or vacancies;] provided, however,  
7 that if at any time the number of qualified directors  
8 shall be less than three because of the failure or  
9 refusal of one or more directors to qualify or serve or  
10 because of his or their death or incapacitation, or for  
11 any such other reason, the Texas Water Rights  
12 Commission shall appoint the necessary number of  
13 directors to fill all vacancies on the board. . . .

14 Revisor's Note

15 (1) Section 6, Chapter 682, Acts of the 62nd  
16 Legislature, Regular Session, 1971, governs the manner  
17 in which multiple board vacancies are filled. Section  
18 49.105, Water Code, governs the manner of filling a  
19 vacancy in the office of director of certain  
20 districts, including a municipal utility district.  
21 Chapter 49, Water Code, applies to the district under  
22 Sections 49.001 and 49.002 of that chapter. For that  
23 reason and for the convenience of the reader, the  
24 revised law adds a reference to Section 49.105.

25 (2) Section 6, Chapter 682, Acts of the 62nd  
26 Legislature, Regular Session, 1971, refers to a  
27 vacancy in the office of director "because of the  
28 failure or refusal of one or more directors to qualify  
29 or serve or because of his or their death or  
30 incapacitation, or for any such other reason." The  
31 revised law omits the quoted language because it  
32 merely describes every manner in which a board vacancy  
33 may occur without limiting in any way the duty to fill  
34 the vacancy.

35 (3) Section 6, Chapter 682, Acts of the 62nd  
36 Legislature, Regular Session, 1971, refers to the  
37 "Texas Water Rights Commission." The revised law  
38 substitutes "Texas Commission on Environmental  
39 Quality" for "Texas Water Rights Commission" to

1 reflect the current name of the agency with the  
2 relevant regulatory authority.

3 [Sections 8407.053-8407.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Revised Law

6 Sec. 8407.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
7 district has the rights, powers, privileges, and functions  
8 conferred by general law applicable to a municipal utility  
9 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
10 Leg., R.S., Ch. 682, Sec. 5 (part); New.)

11 Source Law

12 Sec. 5. The district is hereby vested with, and  
13 shall have and exercise, all of the rights, powers,  
14 privileges, authority and functions conferred by the  
15 general laws of this state applicable to municipal  
16 utility districts, including without limitation those  
17 conferred by Chapter 54, Title 4, Water Code, but  
18 . . . .

19 Revisor's Note

20 (1) Section 5, Chapter 682, Acts of the 62nd  
21 Legislature, Regular Session, 1971, provides that the  
22 district "is hereby vested with, and shall have and  
23 exercise" certain powers. The revised law substitutes  
24 "has" for the quoted language because, in context, the  
25 terms are synonymous and "has" is more commonly used.

26 (2) Section 5, Chapter 682, Acts of the 62nd  
27 Legislature, Regular Session, 1971, refers to the  
28 "rights, powers, privileges, [and] authority" of the  
29 district. The revised law omits the reference to  
30 "authority" because, in context, "authority" is  
31 included in the meaning of "rights, powers, [and]  
32 privileges."

33 (3) Section 5, Chapter 682, Acts of the 62nd  
34 Legislature, Regular Session, 1971, grants the  
35 district certain powers, "including without  
36 limitation those conferred by Chapter 54, Title 4,  
37 Water Code." The revised law omits "without

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

6 (4) Section 5, Chapter 682, Acts of the 62nd  
7 Legislature, Regular Session, 1971, refers to Chapter  
8 54, Water Code. For the reader's convenience, the  
9 revised law adds a reference to Chapter 49, Water Code,  
10 because Chapter 715, Acts of the 74th Legislature,  
11 Regular Session, 1995, repealed many provisions of  
12 Chapter 54 and enacted similar provisions in Chapter  
13 49, Water Code, which applies to the district under  
14 Sections 49.001 and 49.002 of that chapter.

15 (5) Section 5, Chapter 682, Acts of the 62nd  
16 Legislature, Regular Session, 1971, provides that the  
17 act prevails over general law in case of a conflict or  
18 other inconsistency and that all general laws  
19 applicable to municipal utility districts not in  
20 conflict or inconsistent with the provisions of the  
21 act are adopted and incorporated by reference. The  
22 revised law omits the portion of the provision  
23 relating to the act prevailing over general law  
24 because it duplicates in substance Section 311.026(b),  
25 Government Code (Code Construction Act). The revised  
26 law omits the portion of the provision relating to  
27 adoption and incorporation of general laws because  
28 Section 5 of Chapter 682 (revised as this section)  
29 already provides that those laws apply to the  
30 district, and it is unnecessary to repeat that  
31 authority. The omitted law reads:

32 Sec. 5. . . . if any provision of  
33 such general laws shall be in conflict or  
34 inconsistent with the provisions of this  
35 Act, the provisions of this Act shall  
36 prevail. All such general laws applicable  
37 to municipal utility districts not in

1 conflict or inconsistent with the  
2 provisions of this Act are hereby adopted  
3 and incorporated by reference with the same  
4 effect as if copied in full in this Act.

5 Revisor's Note  
6 (End of Chapter)

7 (1) Section 7, Chapter 682, Acts of the 62nd  
8 Legislature, Regular Session, 1971, contains  
9 legislative findings relating to the performance of  
10 the requirements of Section 59(d), Article XVI, Texas  
11 Constitution, and to the authority of the legislature  
12 to enact that chapter. The revised law omits the  
13 provision as executed. The omitted law reads:

14 Sec. 7. The Legislature specifically  
15 finds and declares that the requirements of  
16 Article XVI, Section 59(d) of the  
17 Constitution of Texas have been performed  
18 and accomplished in due course and time and  
19 order, and that the Legislature has the  
20 power and authority to enact this Act.

21 (2) Section 8, Chapter 682, Acts of the 62nd  
22 Legislature, Regular Session, 1971, 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), which provides that a  
26 provision of a statute is severable from each other  
27 provision of the statute that can be given effect. The  
28 omitted law reads:

29 Sec. 8. If any word, phrase, clause,  
30 paragraph, sentence, part, portion or  
31 provision of this Act or the application  
32 thereof to any person or circumstance shall  
33 be held to be invalid or unconstitutional,  
34 the remainder of the Act shall nevertheless  
35 be valid and the Legislature hereby  
36 declares that this Act would have been  
37 enacted without such invalid or  
38 unconstitutional word, phrase, clause,  
39 paragraph, sentence, part, portion or  
40 provision.

41 CHAPTER 8410. QUAIL CREEK MUNICIPAL UTILITY DISTRICT

42 SUBCHAPTER A. GENERAL PROVISIONS

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44	Sec. 8410.002. NATURE OF DISTRICT . . . . .	942
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1 Sec. 8410.004. DISTRICT TERRITORY . . . . . 944

2 [Sections 8410.005-8410.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 8410.051. COMPOSITION OF BOARD; TERMS . . . . . 945

5 [Sections 8410.052-8410.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 8410.101. MUNICIPAL UTILITY DISTRICT POWERS . . . . . 948

8 Sec. 8410.102. WATER CONSERVATION PROGRAM . . . . . 949

9 CHAPTER 8410. QUAIL CREEK MUNICIPAL UTILITY DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Revised Law

12 Sec. 8410.001. DEFINITIONS. In this chapter:

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

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

16 (3) "District" means the Quail Creek Municipal Utility  
17 District. (New.)

18 Revisor's Note

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

23 Revised Law

24 Sec. 8410.002. NATURE OF DISTRICT. The district is a  
25 conservation and reclamation district created under Section 59,  
26 Article XVI, Texas Constitution. (Acts 69th Leg., R.S., Ch. 865,  
27 Sec. 1 (part).)

28 Source Law

29 Sec. 1. . . . the Quail Creek Municipal Utility  
30 District is created as a conservation and reclamation  
31 district under Article XVI, Section 59, of the Texas  
32 Constitution, and . . . .

33 Revisor's Note

34 (1) Sections 1 and 8, Chapter 865, Acts of the  
35 69th Legislature, Regular Session, 1985, refer to a  
36 confirmation election. Because the confirmation



1 Texas Constitution, and that the district is created  
2 to serve a public use and benefit.

3 Revised Law

4 Sec. 8410.004. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Section 3, Chapter 865, Acts  
6 of the 69th Legislature, Regular Session, 1985, as that territory  
7 may have been modified under:

8 (1) Subchapter H, Chapter 54, Water Code;

9 (2) Subchapter J, Chapter 49, Water Code; or

10 (3) other law.

11 (b) The boundaries and field notes of the district form a  
12 closure. A mistake in copying the field notes in the legislative  
13 process or another mistake in the field notes does not affect:

14 (1) the district's organization, existence, or  
15 validity;

16 (2) the district's right to issue bonds for a purpose  
17 for which the district was created or to pay the principal of and  
18 interest on the bonds;

19 (3) the district's right to impose a tax; or

20 (4) the legality or operation of the district or the  
21 board. (Acts 69th Leg., R.S., Ch. 865, Sec. 4; New.)

22 Source Law

23 Sec. 4. (a) The legislature finds that the  
24 boundaries and field notes of the district form a  
25 closure.

26 (b) If a mistake is made in copying the field  
27 notes in the legislative process or if a mistake is  
28 made in the field notes in some other manner or  
29 procedure, the mistake does not affect the  
30 organization, existence, and validity of the district  
31 or the right of the district to issue bonds or  
32 refunding bonds to carry out the purposes for which the  
33 district is created, to pay the principal of and the  
34 interest on the bonds, or to levy and collect taxes,  
35 and does not in any other manner affect the legality or  
36 operation of the district or its governing body.

37 Revisor's Note

38 (1) The revision of the law governing the  
39 district does not revise the statutory language  
40 describing the territory of the district to avoid the  
41 lengthy recitation of the description and because that  
42 description may not be accurate on the effective date

1 of the revision or at the time of a later reading. For  
2 the reader's convenience, the revised law includes  
3 references to the statutory description of the  
4 district's territory and to the authority to change the  
5 district's territory under Subchapter H, Chapter 54,  
6 Water Code, applicable to municipal utility districts,  
7 and Subchapter J, Chapter 49, Water Code, applicable  
8 to the district under Sections 49.001 and 49.002 of  
9 that chapter. The revised law also includes a  
10 reference to the general authority of the legislature  
11 to enact a law to change the district's territory.

12 (2) Section 4, Chapter 865, Acts of the 69th  
13 Legislature, Regular Session, 1985, provides that a  
14 mistake does not affect the right of the district to  
15 issue "bonds or refunding bonds." The revised law  
16 omits the reference to "refunding bonds" because  
17 refunding bonds are included in the meaning of  
18 "bonds."

19 (3) Section 4, Chapter 865, Acts of the 69th  
20 Legislature, Regular Session, 1985, refers to the  
21 district's authority to "levy and collect" taxes. The  
22 revised law substitutes "impose" for "levy and  
23 collect" because "impose" is the term generally used  
24 in Title 1, Tax Code, and includes the levy and  
25 collection of a tax.

26 [Sections 8410.005-8410.050 reserved for expansion]

#### 27 SUBCHAPTER B. BOARD OF DIRECTORS

##### 28 Revised Law

29 Sec. 8410.051. COMPOSITION OF BOARD; TERMS. (a) The  
30 district is governed by a board of five elected directors.

31 (b) Directors serve staggered four-year terms. (Acts 69th  
32 Leg., R.S., Ch. 865, Secs. 10(b) (part), (c).)

##### 33 Source Law

34 (b) [Except for temporary directors,] directors  
35 of the district shall serve staggered four-year terms.

1 (c) Except as provided by Subsection (a) of this  
2 section, directors' elections shall be called and held  
3 as provided by Subchapter C, Chapter 54, Water Code, to  
4 elect the appropriate number of directors.

5 Revisor's Note

6 (1) Sections 9 and 10(b), Chapter 865, Acts of  
7 the 69th Legislature, Regular Session, 1985, appoint  
8 the temporary directors and prescribe the terms of  
9 service of the temporary directors. The revised law  
10 omits those provisions as executed but codifies the  
11 establishment of a board consisting of five directors.  
12 Throughout this chapter, the revised law omits  
13 references to "temporary" directors as executed. The  
14 omitted law reads:

15 Sec. 9. (a) The following persons  
16 are the temporary directors of the district  
17 and constitute the temporary board of  
18 directors of the district:

- 19 (1) Ray Carter;  
20 (2) Rosalyn Repka;  
21 (3) Jack Lee;  
22 (4) John Kirkpatrick; and  
23 (5) Riley Jones.

24 (b) Each individual named as a  
25 temporary director by Subsection (a) of  
26 this section or appointed under Subsection  
27 (c) of this section shall qualify to serve  
28 as a temporary director before the first  
29 meeting of the board of directors.

30 (c) If any person named in Subsection  
31 (a) of this section fails to qualify as a  
32 temporary director, the qualified temporary  
33 directors shall appoint an individual to  
34 fill the vacancy, but if for any reason the  
35 number of qualified temporary directors is  
36 less than three, the Texas Water Commission  
37 shall appoint the necessary number of  
38 temporary directors to fill the vacancies  
39 on the board.

40 (d) The temporary directors named in  
41 Subsection (a) of this section or their duly  
42 qualified successors shall serve until the  
43 election of permanent directors.

44 [Sec. 10]

45 (b) Except for temporary directors,  
46 [directors of the district shall serve  
47 staggered four-year terms.]

48 (2) Section 10(a), Chapter 865, Acts of the 69th  
49 Legislature, Regular Session, 1985, provides for the  
50 election of initial permanent directors for the  
51 district. The revised law omits the provision as  
52 executed. The omitted law reads:

1           Sec. 10. (a) The initial permanent  
2           directors for the district shall be elected  
3           as provided by Sections 54.026-54.029,  
4           Water Code.

5           (3) Section 10(c), Chapter 865, Acts of the 69th  
6           Legislature, Regular Session, 1985, provides for  
7           directors to be elected in the manner "provided by  
8           Subchapter C, Chapter 54, Water Code." Chapter 715,  
9           Acts of the 74th Legislature, Regular Session, 1995,  
10          repealed the relevant provisions of Chapter 54 and  
11          enacted similar provisions in Chapter 49, Water Code,  
12          including Section 49.103, which governs the terms of  
13          office and manner of election of directors of a  
14          municipal utility district that is required by law to  
15          elect its directors. The revised law omits the quoted  
16          language and any reference to Chapter 49, Water Code,  
17          because Chapter 49 applies to the district under  
18          Sections 49.001 and 49.002 of that chapter.

19          (4) Section 10(d), Chapter 865, Acts of the 69th  
20          Legislature, Regular Session, 1985, provides for the  
21          first elected directors to draw lots to determine  
22          which directors will serve until the first regular  
23          directors' election following the confirmation and  
24          directors' election and which will serve until the  
25          second regular directors' election following the  
26          confirmation and directors' election. The revised law  
27          omits the provision as executed but codifies the  
28          establishment of staggered terms. The omitted law  
29          reads:

30                 (d) The first elected directors of  
31                 the district shall draw lots to determine  
32                 which two directors will serve until the  
33                 first regular directors' election following  
34                 the confirmation and directors' election  
35                 and which three directors will serve until  
36                 the second regular directors' election  
37                 following the confirmation and directors'  
38                 election.

39           [Sections 8410.052-8410.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Revised Law

3 Sec. 8410.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
4 district has the rights, powers, privileges, and functions provided  
5 by general law applicable to a municipal utility district created  
6 under Section 59, Article XVI, Texas Constitution, including  
7 Chapters 49 and 54, Water Code. (Acts 69th Leg., R.S., Ch. 865,  
8 Sec. 6 (part); New.)

9 Source Law

10 Sec. 6. The district has and may exercise the  
11 rights, powers, privileges, authority, and functions  
12 provided by Chapter 54, Water Code, and other general  
13 laws that apply to municipal utility districts created  
14 under Article XVI, Section 59, of the Texas  
15 Constitution, but . . . .

16 Revisor's Note

17 (1) Section 6, Chapter 865, Acts of the 69th  
18 Legislature, Regular Session, 1985, provides that the  
19 district "has and may exercise" certain powers. The  
20 revised law substitutes "has" for the quoted language  
21 because, in context, the terms are synonymous and  
22 "has" is more commonly used.

23 (2) Section 6, Chapter 865, Acts of the 69th  
24 Legislature, Regular Session, 1985, refers to the  
25 "rights, powers, privileges, [and] authority" of the  
26 district. The revised law omits the reference to  
27 "authority" because, in context, "authority" is  
28 included in the meaning of "rights, powers, [and]  
29 privileges."

30 (3) Section 6, Chapter 865, Acts of the 69th  
31 Legislature, Regular Session, 1985, refers to Chapter  
32 54, Water Code. For the reader's convenience, the  
33 revised law adds a reference to Chapter 49, Water Code,  
34 because Chapter 715, Acts of the 74th Legislature,  
35 Regular Session, 1995, repealed many provisions of  
36 Chapter 54 and enacted similar provisions in Chapter  
37 49, Water Code.

1           (4) Section 6, Chapter 865, Acts of the 69th  
2           Legislature, Regular Session, 1985, provides that the  
3           act prevails over general law in case of an  
4           inconsistency. The revised law omits the provision  
5           relating to the act prevailing over general law  
6           because it duplicates in substance Section 311.026(b),  
7           Government Code (Code Construction Act). The omitted  
8           law reads:

9                        Sec. 6. [The district has . . . the  
10                       rights, powers, privileges, authority, and  
11                       functions provided by Chapter 54, Water  
12                       Code, and other general laws that apply to  
13                       municipal utility districts . . . but] if  
14                       any of those laws conflict with or are  
15                       inconsistent with this Act, this Act  
16                       prevails.

17                                       Revised Law

18           Sec. 8410.102. WATER CONSERVATION PROGRAM. (a) In this  
19           section, "program of water conservation" means the practices,  
20           techniques, and technologies that will reduce water consumption,  
21           reduce water loss or waste, improve efficiency in water use, or  
22           increase water recycling and reuse so that a water supply is  
23           available for future uses.

24           (b) The district shall adopt and implement a program of  
25           water conservation consistent with rules and criteria adopted and  
26           enforceable by the Texas Commission on Environmental Quality for  
27           similarly situated districts in the region. (Acts 69th Leg., R.S.,  
28           Ch. 865, Sec. 7.)

29                                       Source Law

30                        Sec. 7. The district shall adopt and implement a  
31                       program of water conservation consistent with rules  
32                       and criteria duly adopted and enforceable by the Texas  
33                       Department of Water Resources for similarly situated  
34                       districts in the region. A program of water  
35                       conservation means the practices, techniques, and  
36                       technologies that will reduce the consumption of  
37                       water, reduce the loss or waste of water, improve  
38                       efficiency in the use of water, or increase the  
39                       recycling and reuse of water so that a water supply is  
40                       made available for future uses.

41                                       Revisor's Note

42           (1) Section 7, Chapter 865, Acts of the 69th  
43           Legislature, Regular Session, 1985, refers to "duly"

1 adopted rules and criteria. The revised law omits  
2 "duly" as unnecessary in this context because the word  
3 does not add to the clear meaning of the law.

4 (2) Section 7, Chapter 865, Acts of the 69th  
5 Legislature, Regular Session, 1985, refers to the  
6 "Texas Department of Water Resources." The revised  
7 law substitutes "Texas Commission on Environmental  
8 Quality" for "Texas Department of Water Resources" to  
9 reflect the current name of the agency with the  
10 relevant regulatory authority.

11 Revisor's Note  
12 (End of Chapter)

13 (1) Section 11, Chapter 865, Acts of the 69th  
14 Legislature, Regular Session, 1985, provides that  
15 Article 970a, Vernon's Texas Civil Statutes (Municipal  
16 Annexation Act), does not apply to the creation of the  
17 district. The revised law omits that provision as  
18 executed. The omitted law reads:

19 Sec. 11. Notwithstanding the  
20 Municipal Annexation Act (Article 970a,  
21 Vernon's Texas Civil Statutes), the  
22 district is created, and the Municipal  
23 Annexation Act has no application to the  
24 creation of the district.

25 (2) Section 12, Chapter 865, Acts of the 69th  
26 Legislature, Regular Session, 1985, contains  
27 legislative findings relating to the performance of  
28 certain requirements under Section 59(d), Article XVI,  
29 Texas Constitution, and to the authority of the  
30 legislature to enact that chapter. The revised law  
31 omits that provision as executed. The omitted law  
32 reads:

33 Sec. 12. The legislature finds that  
34 the requirements of Article XVI, Section  
35 59(d), of the Texas Constitution have been  
36 accomplished as provided by that  
37 subsection, and that the legislature is  
38 authorized to adopt this law.

39 SECTION 1.04. Subtitle G, Title 6, Special District Local  
40 Laws Code, is amended by adding Chapters 8504 and 8505 to read as

1 follows:

2 CHAPTER 8504. LOWER NECHES VALLEY AUTHORITY

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 8504.001. DEFINITIONS . . . . . 953  
5 Sec. 8504.002. CREATION AND NATURE OF AUTHORITY . . . . . 954  
6 Sec. 8504.003. TERRITORY . . . . . 954  
7 Sec. 8504.004. LIBERAL CONSTRUCTION OF CHAPTER . . . . . 955

8 [Sections 8504.005-8504.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

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12 Sec. 8504.053. VACANCY . . . . . 957  
13 Sec. 8504.054. OATH AND BOND REQUIREMENT FOR DIRECTORS . . . 957  
14 Sec. 8504.055. COMPENSATION OF DIRECTORS . . . . . 958  
15 Sec. 8504.056. QUORUM; VOTING REQUIREMENT . . . . . 958  
16 Sec. 8504.057. GENERAL MANAGER . . . . . 959

17 [Sections 8504.058-8504.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

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21 CREATED . . . . . 961  
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23 WATER . . . . . 961  
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25 PARTICULAR PURPOSES; NOT A LIMITATION . . . 962  
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10 CHAPTER 8504. LOWER NECHES VALLEY AUTHORITY

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Revised Law

13 Sec. 8504.001. DEFINITIONS. In this chapter:

14 (1) "Authority" means the Lower Neches Valley  
15 Authority.

16 (2) "Basins" means the Neches River basin and the  
17 adjoining Neches-Trinity coastal basin.

18 (3) "Board" means the board of directors of the  
19 authority.

20 (4) "Commission" means the Texas Commission on  
21 Environmental Quality.

22 (5) "Director" means a member of the board. (Acts 43rd  
23 Leg., 1st C.S., Ch. 63, Secs. 1 (part), 13C(a)(2); New.)

24 Source Law

25 Sec. 1. . . . district by the name of "Lower  
26 Neches Valley Authority," . . . .

27 Sec. 13C. (a) In this section:

28 . . .  
29 (2) "Commission" means the Texas  
30 Commission on Environmental Quality.

31 Revisor's Note

32 (1) Section 13C(a)(2), Chapter 63, Acts of the  
33 43rd Legislature, 1st Called Session, 1933, defines  
34 "commission" for purposes of Section 13C to mean the  
35 Texas Commission on Environmental Quality. As a  
36 drafting convenience, the revised law applies the

1 definition to all of Chapter 63, revised as this  
2 chapter, to cover other references to the Texas  
3 Commission on Environmental Quality.

4 (2) The definitions of "authority," "basins,"  
5 "board," and "director" are added to the revised law  
6 for drafting convenience and to eliminate frequent,  
7 unnecessary repetition of the substance of the  
8 definitions. Although Chapter 63, Acts of the 43rd  
9 Legislature, 1st Called Session, 1933, refers to the  
10 authority as the "district," throughout the chapter  
11 the revised law uses the term "authority" rather than  
12 "district" to more closely conform to the name of the  
13 authority.

14 Revised Law

15 Sec. 8504.002. CREATION AND NATURE OF AUTHORITY. The  
16 authority is created as a conservation and reclamation district.  
17 The authority is an independent governmental agency and a body  
18 politic and corporate. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 1  
19 (part).)

20 Source Law

21 Sec. 1. That there shall be and is hereby  
22 created a conservation and reclamation district . . .  
23 which district is created as a governmental agency,  
24 body politic and corporate, . . . [and which shall  
25 have and be recognized to exercise all of the powers]  
26 of such governmental agency and body politic and  
27 corporate . . . [and said district shall have and be  
28 recognized to exercise all the rights and powers] of an  
29 independent governmental agency, body politic and  
30 corporate, . . . .

31 Revised Law

32 Sec. 8504.003. TERRITORY. Unless modified under Subchapter  
33 J, Chapter 49, Water Code, or other law, the authority's territory  
34 is composed of:

- 35 (1) all of Jefferson, Hardin, and Tyler Counties;  
36 (2) a strip of land 10 miles in width off the eastern  
37 end of Liberty County (the west line of that strip being parallel to  
38 and 10 miles west of the extreme eastern boundary line of Liberty  
39 County); and

1 (3) a strip of land 15 miles in width off the east side  
2 of Chambers County (the west line of that strip being parallel to  
3 and 15 miles west of the eastern boundary line of Chambers County).  
4 (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 2; New.)

5 Source Law

6 Sec. 2. The territory which shall be embraced  
7 within the boundaries of said "Lower Neches Valley  
8 Authority" shall be that part of the State of Texas  
9 defined as follows: All of Jefferson, Hardin and Tyler  
10 Counties, a strip of land ten (10) miles in width off  
11 the Eastern end of Liberty County (the West line of  
12 said strip being parallel to and ten (10) miles West of  
13 the extreme Eastern boundary line of Liberty County,  
14 and a strip of land Fifteen (15) miles in width off the  
15 East side of Chambers County. (the West line of such  
16 strip being parallel to and fifteen (15) miles West of  
17 the Eastern boundary line of Chambers County).

18 Revisor's Note

19 The revision of the law governing the authority  
20 revises the statutory language describing the  
21 territory of the authority. Because the authority's  
22 boundaries are subject to change, that description may  
23 not be accurate on the effective date of the revision  
24 or at the time of a later reading. For the reader's  
25 convenience, the revised law adds references to the  
26 statutory authority to change the authority's  
27 territory under Subchapter J, Chapter 49, Water Code,  
28 applicable to the authority under Sections 49.001 and  
29 49.002 of that chapter, and to the general authority of  
30 the legislature to enact a law to change the  
31 authority's territory.

32 Revised Law

33 Sec. 8504.004. LIBERAL CONSTRUCTION OF CHAPTER. This  
34 chapter shall be liberally construed to effect its purposes. (Acts  
35 43rd Leg., 1st C.S., Ch. 63, Sec. 15 (part).)

36 Source Law

37 Sec. 15. . . . this Act in all of its terms and  
38 provisions shall be liberally construed to effectuate  
39 each and all of the purposes thereof.

40 [Sections 8504.005-8504.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

2 Revised Law

3 Sec. 8504.051. MEMBERSHIP OF BOARD. (a) The board consists  
4 of nine directors appointed by the governor with the advice and  
5 consent of the senate.

6 (b) Each director must be a freehold property taxpayer and a  
7 qualified voter of this state.

8 (c) Five directors must reside in Jefferson County, two  
9 directors must reside in Hardin County, and two directors must  
10 reside in Tyler County. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 3  
11 (part).)

12 Source Law

13 Sec. 3. . . . Board of Directors, consisting of  
14 nine (9) members, all of whom shall be freehold  
15 property taxpayers and legal voters of the State of  
16 Texas. The governor shall appoint, with the advice and  
17 consent of the senate, the directors of the  
18 district. . . . Five directors shall be residents of  
19 Jefferson County, two of Hardin County, and two of  
20 Tyler County. . . .

21 Revisor's Note

22 Section 3, Chapter 63, Acts of the 43rd  
23 Legislature, 1st Called Session, 1933, provides that  
24 the members of the board must be "legal voters." The  
25 revised law substitutes "qualified" for "legal"  
26 because the terms are synonymous in this context and  
27 the former is more commonly used.

28 Revised Law

29 Sec. 8504.052. TERMS. Directors hold office for staggered  
30 terms of six years. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 3  
31 (part).)

32 Source Law

33 Sec. 3. . . . Directors of the district hold  
34 office for staggered terms of six years. . . .

35 Revisor's Note

36 Section 3, Chapter 63, Acts of the 43rd  
37 Legislature, 1st Called Session, 1933, requires the  
38 directors of the authority to continue to hold their

1 offices until their successors are appointed and have  
2 qualified, unless they are sooner removed by the  
3 governor. The revised law omits the provision  
4 requiring directors to continue to hold office until  
5 their successors are appointed and have qualified  
6 because Section 17, Article XVI, Texas Constitution,  
7 requires each officer in the state to continue to  
8 perform the officer's duties until a successor has  
9 qualified. The revised law omits the reference to  
10 removal by the governor because Section 9, Article XV,  
11 Texas Constitution, provides that, in addition to the  
12 other procedures provided by law for removal of public  
13 officers, the governor who appoints an officer may  
14 remove the officer with the advice and consent of the  
15 senate. The omitted law reads:

16           Sec. 3. . . . The directors shall  
17 hold office after their appointment and  
18 qualification until their successors shall  
19 be appointed and qualify, unless sooner  
20 removed by the governor. . . .

21                           Revised Law

22           Sec. 8504.053. VACANCY. A vacancy on the board shall be  
23 filled for the unexpired term in the same manner as provided for an  
24 appointment for a full term. (Acts 43rd Leg., 1st C.S., Ch. 63,  
25 Sec. 3 (part).)

26                           Source Law

27           Sec. 3. . . . Should any vacancy occur in the  
28 Board of Directors, the vacancy shall be filled for the  
29 unexpired term in the same manner as provided for  
30 appointments for a full term. . . .

31                           Revised Law

32           Sec. 8504.054. OATH AND BOND REQUIREMENT FOR DIRECTORS.  
33 (a) A director shall, within 15 days after the date of appointment,  
34 qualify by taking the constitutional oath of office and by filing a  
35 good and sufficient bond with the secretary of state.

36           (b) The bond is subject to approval by the secretary of  
37 state and must:

38                   (1) be in the amount of \$5,000;

1 (2) be payable to the authority; and  
2 (3) be conditioned on the faithful performance of the  
3 duties as a director. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 3  
4 (part).)

5 Source Law

6 Sec. 3. . . . The directors appointed shall  
7 within fifteen (15) days after their appointment  
8 qualify by taking the official oath and filing a good  
9 and sufficient bond with the secretary of state; the  
10 official bond of each director, to be in the sum of  
11 Five Thousand Dollars (\$5,000), shall be payable to  
12 the district, shall be conditioned upon the faithful  
13 performance of their duties as such directors, and  
14 shall be subject to approval by the secretary of state.  
15 . . .

16 Revisor's Note

17 Section 3, Chapter 63, Acts of the 43rd  
18 Legislature, 1st Called Session, 1933, requires a  
19 director to take the "official oath." The quoted  
20 language is a reference to the constitutional oath of  
21 office, which is prescribed by Section 1, Article XVI,  
22 Texas Constitution. The revised law substitutes  
23 "constitutional oath of office" for "official oath"  
24 for clarification.

25 Revised Law

26 Sec. 8504.055. COMPENSATION OF DIRECTORS. (a) A director  
27 is entitled to receive a fee of office for each day of service  
28 approved by a vote of the board and necessary to discharge the  
29 director's duties.

30 (b) The board shall set the fee described by Subsection (a)  
31 in an amount not greater than the amount allowed under general law.  
32 (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 7.)

33 Source Law

34 Sec. 7. (a) A director is entitled to receive a  
35 fee of office for each day of service approved by a  
36 vote of the Board of Directors and necessary to  
37 discharge the director's duties.  
38 (b) The Board of Directors shall set the fee  
39 described by Subsection (a) in an amount not greater  
40 than the amount allowed under general law.

41 Revised Law

42 Sec. 8504.056. QUORUM; VOTING REQUIREMENT. (a) Five

1 directors constitute a quorum at any meeting.

2 (b) A concurrence of a majority of the directors present is  
3 sufficient in any matter pertaining to authority business. (Acts  
4 43rd Leg., 1st C.S., Ch. 63, Sec. 4.)

5 Source Law

6 Sec. 4. Five directors shall constitute a  
7 quorum at any meeting and a concurrence of a majority  
8 of the directors present shall be sufficient in all  
9 matters pertaining to the business of the district.

10 Revised Law

11 Sec. 8504.057. GENERAL MANAGER. The board shall employ a  
12 general manager at the compensation set by a majority of the board.  
13 (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 3 (part).)

14 Source Law

15 Sec. 3. . . . The directors shall employ a  
16 general manager at such compensation as may be fixed by  
17 the majority of the directors.

18 Revisor's Note

19 Section 3, Chapter 63, Acts of the 43rd  
20 Legislature, 1st Called Session, 1933, provides that  
21 the compensation of the general manager shall be  
22 "fixed" by the board. The revised law substitutes  
23 "set" for "fixed" because the terms are synonymous in  
24 this context and "set" is more commonly used.

25 Revisor's Note  
26 (End of Subchapter)

27 Section 3, Chapter 63, Acts of the 43rd  
28 Legislature, 1st Called Session, 1933, provides that  
29 the management and control of the authority is vested  
30 in a board of directors. The revised law omits that  
31 provision because it duplicates, in substance, parts  
32 of Sections 49.051 and 49.057, Water Code. Throughout  
33 this chapter, the revised law omits law that is  
34 superseded by Chapter 49, Water Code, or that  
35 duplicates law contained in that chapter. Except as  
36 otherwise provided by that chapter, Chapter 49, Water  
37 Code, applies to the authority under Sections 49.001

1 and 49.002, Water Code. The omitted law reads:

2           Sec. 3. The management and control of  
3           all the affairs of such district shall be  
4           vested in a [Board of Directors] . . . .

5           [Sections 8504.058-8504.100 reserved for expansion]

6                           SUBCHAPTER C. POWERS AND DUTIES

7   Revised Law

8           Sec. 8504.101. POWERS UNDER CONSTITUTION AND OTHER LAW.

9 The authority has and is vested with the powers of a conservation  
10 and reclamation district under the constitution and other laws of  
11 this state, including the powers:

12                   (1) expressly authorized by Section 59, Article XVI,  
13 Texas Constitution, for a district created to conserve, store,  
14 control, preserve, use, and distribute storm water, floodwater, and  
15 the water of the rivers and streams of the state;

16                   (2) implied by the purposes of that section of the  
17 constitution; and

18                   (3) conferred by general law. (Acts 43rd Leg., 1st  
19 C.S., Ch. 63, Sec. 1 (part).)

20   Source Law

21           Sec. 1. . . . [there . . . is hereby created a  
22 conservation and reclamation district . . . which  
23 district is] . . . vested with all the authority as  
24 such under the Constitution and Laws of the State; and  
25 which shall have and be recognized to exercise all of  
26 the powers . . . as are expressly authorized in the  
27 provisions of the Constitution, Section 59 of Article  
28 16, for districts created to conserve, store, control,  
29 preserve, utilize and distribute the storm and flood  
30 waters and the waters of the rivers and streams of the  
31 State, and such powers as may be implied by the  
32 purposes of this provision of the Constitution, and as  
33 may be conferred by General Law, as well as by the  
34 provisions of this Act, . . . .

35   Revisor's Note

36                   (1) Section 1, Chapter 63, Acts of the 43rd  
37 Legislature, 1st Called Session, 1933, refers to the  
38 "authority" and "powers" of the authority. Throughout  
39 this chapter, the revised law omits "authority" in  
40 this context because "authority" is included in the  
41 meaning of "powers."

42                   (2) Section 1, Chapter 63, Acts of the 43rd

1 Legislature, 1st Called Session, 1933, provides that  
2 the authority "shall have and be recognized to  
3 exercise" certain powers. Throughout this chapter,  
4 the revised law substitutes "has" or "may" for the  
5 quoted language because those terms are more concise  
6 and are the substantive equivalent of the quoted  
7 language.

8 (3) Section 1, Chapter 63, Acts of the 43rd  
9 Legislature, 1st Called Session, 1933, states that the  
10 authority has the powers conferred "by the provisions  
11 of this Act." The revised law omits the quoted  
12 language because the powers to which it refers are  
13 expressly provided by other sections of this chapter  
14 and a general reference to them is unnecessary.

15 Revised Law

16 Sec. 8504.102. POWERS TO ACCOMPLISH PURPOSES FOR WHICH  
17 CREATED. The authority has and may exercise the functions, powers,  
18 rights, and duties as may permit the authority to accomplish the  
19 purposes for which it is created. (Acts 43rd Leg., 1st C.S., Ch.  
20 63, Sec. 15 (part).)

21 Source Law

22 Sec. 15. Said district shall have and may  
23 exercise such functions, powers, authority, rights and  
24 duties as may permit the accomplishment of the  
25 purposes for which it is created, . . . .

26 Revised Law

27 Sec. 8504.103. GENERAL POWERS RELATING TO WORKS AND WATER.

28 (a) The authority may construct, maintain, and operate in the  
29 basins, inside or outside the authority, any work considered  
30 essential:

31 (1) to the operation of the authority; and

32 (2) for the authority's administration in the control,  
33 storage, preservation, and distribution to all useful purposes of  
34 the water, including storm water and floodwater, of the basins.

35 (b) The authority has the same power of control and  
36 regulation over the water of the basins that the state has, subject

1 to the constitution and statutes of this state. (Acts 43rd Leg.,  
2 1st C.S., Ch. 63, Sec. 1 (part).)

3 Source Law

4 Sec. 1. . . . said district shall have and be  
5 recognized to exercise all the rights and powers [of an  
6 independent governmental agency, body politic and  
7 corporate,] to construct, maintain and operate, in the  
8 Neches River basin and the adjoining Neches-Trinity  
9 coastal basin, within or without the boundaries of  
10 such district, any and all works deemed essential to  
11 the operation of the district and for its  
12 administration in the control, storing, preservation  
13 and distribution to all useful purposes of the waters  
14 of the Neches River basin and the adjoining  
15 Neches-Trinity coastal basin, including the storm and  
16 flood waters thereof; and such district shall have and  
17 be recognized to exercise such authority and power of  
18 control and regulation over such waters as may be  
19 exercised by the State of Texas, subject to the  
20 provisions of the Constitution and the Acts of the  
21 Legislature.

22 Revised Law

23 Sec. 8504.104. ADDITIONAL POWERS RELATING TO PARTICULAR  
24 PURPOSES; NOT A LIMITATION. (a) For the conservation and  
25 beneficial use of the water of the basins, including storm water and  
26 floodwater, the authority may control and use the water in the  
27 manner and for the particular purposes described below:

28 (1) for the prevention of the devastation of land from  
29 recurrent overflows;

30 (2) for the protection of life and property in the  
31 authority from uncontrolled floodwater;

32 (3) to encourage the conservation of soil;

33 (4) to prevent destructive erosion;

34 (5) to provide through practical and legal means for  
35 the control and coordination of the regulation of that water;

36 (6) to provide by adequate organization and  
37 administration for the preservation of the equitable rights of the  
38 people of different sections of the watershed area in the  
39 beneficial use of that water;

40 (7) for the storage, control, and conservation of that  
41 water inside or outside the authority and the prevention of the  
42 escape of that water without the maximum of public service;

43 (8) for the equitable distribution of that water to

1 the regional potential requirements for all uses;

2 (9) for any purpose for which floodwater and storm  
3 water when controlled and conserved may be used in the performance  
4 of a useful service as authorized by the constitution of this state;

5 (10) for the conservation of the water essential for  
6 the domestic and municipal uses of the people of the authority;

7 (11) to control the water and make it available for use  
8 in the development of commercial and industrial enterprises in the  
9 basins or the authority;

10 (12) to control, store, and use the water in the  
11 development and distribution of hydroelectric power, if that use is  
12 economically coordinated with and subordinate to other uses  
13 declared by law to be superior;

14 (13) for the irrigation of all land in the authority or  
15 outside the authority but inside the basins; and

16 (14) to provide for the drainage of land in the basins.

17 (b) The plans and works provided by the authority in acting  
18 under this section, and the works provided under the power of the  
19 authority in acting under this section, shall have primary regard  
20 for the necessary and potential needs for water by or in the area in  
21 the authority constituting the basins.

22 (c) This section does not limit the powers of the authority  
23 expressed elsewhere in this chapter or under other law. (Acts 43rd  
24 Leg., 1st C.S., Ch. 63, Sec. 13A-1.)

25 Source Law

26 Sec. 13A-1. In addition to all the hereinbefore  
27 mentioned powers, and for the conservation and  
28 beneficial use of the waters of the Neches River basin  
29 and the adjoining Neches-Trinity coastal basin,  
30 including storm water and floodwater, the district may  
31 control and use such waters in the manner and for the  
32 particular purposes described below:

33 (a) to provide through practical and legal means  
34 for the control and coordination of the regulation of  
35 such waters;

36 (b) to provide by adequate organization and  
37 administration for the preservation of the equitable  
38 rights of the people of the different sections of the  
39 watershed area in the beneficial use of such waters;

40 (c) for storing, controlling and conserving  
41 such waters inside or outside the district, and the  
42 prevention of the escape of any of such waters without  
43 the maximum of public service; for the prevention of

1 devastation of lands from recurrent overflows, and the  
2 protection of life and property in the district from  
3 uncontrolled flood waters;

4 (d) for the conservation of such waters  
5 essential for the domestic and municipal uses of the  
6 people of the district;

7 (e) for the irrigation of all lands in the  
8 district or outside the district but within the Neches  
9 River basin and the adjoining Neches-Trinity coastal  
10 basin; and for the equitable distribution of such  
11 waters to the regional potential requirements for all  
12 uses. All plans and all works provided by the  
13 district, and as well, all works which may be provided  
14 under authority of the district, shall have primary  
15 regard to the necessary and potential needs for water,  
16 by or within the area in the district constituting the  
17 Neches River basin and the adjoining Neches-Trinity  
18 coastal basin;

19 (f) to provide for the drainage of lands in the  
20 Neches River basin and the adjoining Neches-Trinity  
21 coastal basin;

22 (g) to encourage the conservation of soil and to  
23 prevent destructive erosion;

24 (h) to control such waters and make such waters  
25 available for use in the development of commercial and  
26 industrial enterprises in the Neches River basin and  
27 the adjoining Neches-Trinity coastal basin or the  
28 district;

29 (i) to control, store, and use such waters in  
30 the development and distribution of hydroelectric  
31 power, if that use is economically coordinated with  
32 and subordinate to other uses declared by law to be  
33 superior; and

34 (j) for each and every purpose for which flood  
35 and storm waters when controlled and conserved may be  
36 utilized in the performance of a useful service as  
37 authorized by the provisions of the Constitution and  
38 the public policy therein declared.

39 (k) Nothing in this section is a limitation on  
40 the powers of the district expressed elsewhere in this  
41 Act or under other law.

42 Revisor's Note

43 (1) Section 13A-1, Chapter 63, Acts of the 43rd  
44 Legislature, 1st Called Session, 1933, gives the  
45 authority certain powers that are "[i]n addition to  
46 all the hereinbefore mentioned powers." The revised  
47 law omits the quoted language because the powers to  
48 which it refers are expressly set forth in other  
49 sections of this chapter and a general reference to  
50 them is unnecessary.

51 (2) Section 13A-1(j), Chapter 63, Acts of the  
52 43rd Legislature, 1st Called Session, 1933, authorizes  
53 the authority to control and use water in the  
54 performance of a useful service "as authorized by the  
55 provisions of the Constitution and the public policy





1 C.S., Ch. 63, Sec. 13A-5; New.)

2 Source Law

3 Sec. 13A-5. The district, in addition to the  
4 powers hereinabove set out, shall have general power  
5 and authority to make and to enter into all contracts,  
6 leases, and agreements necessary or convenient to  
7 carry out any of the powers granted in this Act, which  
8 contracts, leases, and agreements may be entered into  
9 with any person, real or artificial, any corporation,  
10 municipal, public or private, or any government or  
11 governmental agency, including the United States  
12 Government and the State of Texas, and may convey or  
13 cause to be conveyed any of its properties, rights,  
14 lands, tenements, easements, improvements,  
15 reservoirs, dams, canals, plants, laterals, works and  
16 facilities to the United States Government or any  
17 agency thereof, and may enter into a lease with the  
18 United States Government, or any agency thereof,  
19 relative thereto, and obligate itself to pay rental  
20 therefor out of the income and revenues thereof, with  
21 or without the privilege of purchase; provided,  
22 however, that nothing herein contained shall authorize  
23 the assumption by the district of any obligation  
24 requiring payment out of taxes. Any and all such  
25 contracts, leases, and agreements herein authorized  
26 shall be approved by resolution of the Board of  
27 Directors of the district, and shall be executed by the  
28 president and attested by the secretary thereof.

29 Revisor's Note

30 (1) Section 13A-5, Chapter 63, Acts of the 43rd  
31 Legislature, 1st Called Session, 1933, gives the  
32 authority certain powers that are "in addition to the  
33 powers hereinabove set out." The revised law omits the  
34 quoted language for the reason stated in Revisor's Note  
35 (1) to Section 8504.104.

36 (2) Section 13A-5, Chapter 63, Acts of the 43rd  
37 Legislature, 1st Called Session, 1933, refers to the  
38 power of the authority to enter into contracts,  
39 leases, and agreements with any person, "real or  
40 artificial, any corporation, municipal, public or  
41 private, or any government or governmental agency,  
42 including the United States Government and the State  
43 of Texas." The revised law omits the quoted language  
44 because under Section 311.005(2), Government Code  
45 (Code Construction Act), "person" is defined to  
46 include any legal entity.

47 (3) The definition of "property" is added to the

1 revised law for drafting convenience and to eliminate  
2 unnecessary repetition of the substance of the  
3 definition.

4 (4) Section 13A-5, Chapter 63, Acts of the 43rd  
5 Legislature, 1st Called Session, 1933, twice refers to  
6 the United States government "or any agency thereof."  
7 The revised law omits the references to "any agency  
8 thereof" because under Section 311.005(9), Government  
9 Code (Code Construction Act), "United States" includes  
10 an agency of the United States.

11 Revised Law

12 Sec. 8504.108. POWERS RELATING TO RECREATIONAL FACILITIES.  
13 The authority may acquire land for recreational facilities and may  
14 construct, operate, and maintain recreational facilities as  
15 provided by general law, provided that money derived from taxation  
16 may not be spent in purchasing that land or constructing and  
17 maintaining those facilities. (Acts 43rd Leg., 1st C.S., Ch. 63,  
18 Sec. 13A-6.)

19 Source Law

20 Sec. 13A-6. The district may acquire land for  
21 recreational facilities and may construct, operate,  
22 and maintain recreational facilities as provided by  
23 general law, provided that no funds derived from  
24 taxation shall be expended in purchasing that land or  
25 constructing and maintaining those facilities.

26 Revised Law

27 Sec. 8504.109. EMINENT DOMAIN. (a) The authority may  
28 exercise the power of eminent domain inside or outside the  
29 authority to acquire the fee simple title to, or an easement or  
30 right-of-way over or through, any private or public land, water, or  
31 land under water that is necessary or convenient for carrying out  
32 any purpose or power conferred on the authority by this chapter.

33 (b) A condemnation proceeding is under the direction of the  
34 board and must be in the name of the authority.

35 (c) The assessment of damages and all procedures with  
36 reference to condemnation, appeal, and payment must conform to  
37 Chapter 21, Property Code. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec.

1 13A-3.)

2 Source Law

3 Sec. 13A-3. The right of eminent domain is  
4 expressly conferred upon such district to enable it to  
5 acquire the fee simple title to, and/or easement or  
6 right-of-way over and through, any and all lands,  
7 water or lands under water, private or public, within  
8 and without such district, necessary or convenient to  
9 carry out any of the purposes and powers conferred upon  
10 such district by this Act. All such condemnation  
11 proceedings shall be under the direction of the  
12 direction of the directors and in the name of the  
13 district, and the assessment of damages and all  
14 procedure with reference to condemnation, appeal and  
15 payment shall be in conformity with the statutes of  
16 this State as provided in the title of the Revised  
17 Statutes relating to "Eminent Domain."

18 Revisor's Note

19 (1) Section 13A-3, Chapter 63, Acts of the 43rd  
20 Legislature, 1st Called Session, 1933, states that the  
21 "right of eminent domain is expressly conferred upon  
22 such district to enable it to acquire [certain  
23 property]." The revised law substitutes for the  
24 quoted language "[t]he authority may exercise the  
25 power of eminent domain . . . to acquire [certain  
26 property]" because the phrases have the same meaning  
27 and the revised phrase is consistent with modern usage  
28 in laws relating to eminent domain.

29 (2) Section 13A-3, Chapter 63, Acts of the 43rd  
30 Legislature, 1st Called Session, 1933, requires the  
31 authority's procedures for condemnation to conform to  
32 "the statutes of this State as provided in the title of  
33 the Revised Statutes relating to 'Eminent Domain.'" The title of the Revised Statutes to which the quoted  
34 language refers is Title 52. In 1983, Title 52 of the  
35 Revised Statutes was codified as Chapter 21 of the  
36 Property Code. Therefore, the revised law substitutes  
37 a reference to Chapter 21, Property Code, for the  
38 quoted language.  
39

40 Revised Law

41 Sec. 8504.110. STATE SUPERVISION AND APPROVAL. The powers

1 and duties conferred on the authority by this chapter, and the  
2 adequacy of any plan for flood control or conservation improvement  
3 purposes devised by the authority, are subject to such continuing  
4 rights of state supervision and state approvals as are required  
5 under general law. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 14.)

6 Source Law

7 Sec. 14. The powers and duties herein devolved  
8 upon the district, and the adequacy of any plan for  
9 flood control or conservation improvement purposes  
10 devised by the district, shall be subject to such  
11 continuing rights of state supervision and state  
12 approvals as are required under General Law.

13 [Sections 8504.111-8504.150 reserved for expansion]

14 SUBCHAPTER D. POWERS RELATING TO DEVERS CANAL SYSTEM AND ITS WATER  
15 RIGHTS AND ASSOCIATED PROPERTY

16 Revised Law

17 Sec. 8504.151. DEFINITIONS. In this subchapter:

18 (1) "Canal system" means the canal system and  
19 associated properties generally known as the Devers Canal System.

20 (2) "Navigation district" means the Chambers-Liberty  
21 Counties Navigation District. (Acts 43rd Leg., 1st C.S., Ch. 63,  
22 Secs. 13C(a)(1), (3).)

23 Source Law

24 Sec. 13C. (a) In this section:

25 (1) "Canal system" means the canal system  
26 and associated properties generally known as the  
27 Devers Canal System.

28 (3) "Navigation district" means the  
29 Chambers-Liberty Counties Navigation District.

30 Revised Law

31 Sec. 8504.152. POWERS RELATING TO CANAL SYSTEM. The  
32 authority may:

33 (1) acquire, own, operate, maintain, and improve the  
34 canal system; and

35 (2) enlarge and extend the canal system east of the  
36 Trinity River in Chambers, Liberty, and Jefferson Counties. (Acts  
37 43rd Leg., 1st C.S., Ch. 63, Sec. 13C(b).)

38 Source Law

39 (b) The district may:

1 (1) acquire, own, operate, maintain, and  
2 improve the canal system; and

3 (2) enlarge and extend the canal system  
4 east of the Trinity River in Chambers, Liberty, and  
5 Jefferson Counties.

6 Revised Law

7 Sec. 8504.153. POWERS RELATING TO WATER. (a) The authority  
8 may own the water rights and appropriate and divert water of this  
9 state under the permits and contracts previously owned by and  
10 acquired from the Devers Canal Rice Producers Association, Inc.

11 (b) Except as provided by Section 8504.154, the authority  
12 may distribute, sell, and use water of this state for any purpose  
13 approved by the commission. (Acts 43rd Leg., 1st C.S., Ch. 63,  
14 Secs. 13C(c), (d).)

15 Source Law

16 (c) The district may own the water rights and  
17 appropriate and divert water of this state under the  
18 permits and contracts previously owned by and acquired  
19 from the Devers Canal Rice Producers Association, Inc.

20 (d) Except as provided by Subsection (e) of this  
21 section, the district may distribute, sell, and use  
22 water of this state for any purpose approved by the  
23 commission.

24 Revised Law

25 Sec. 8504.154. RIGHT OF FIRST REFUSAL FOR CERTAIN WATER  
26 CONTRACTS. (a) This section applies only to a contract to sell or  
27 provide water:

28 (1) that is for any use other than irrigation in  
29 Chambers County outside the authority's boundaries; and

30 (2) that the navigation district had authority to sell  
31 or provide under the navigation district's water rights on May 1,  
32 2009.

33 (b) Before entering into a contract, the authority must:

34 (1) send to the navigation district a written notice  
35 of intent to sell or provide water for nonirrigation use in Chambers  
36 County outside the authority's boundaries; and

37 (2) allow the navigation district 30 days to exercise  
38 a right of first refusal to provide the water.

39 (c) Not later than the 30th day after the date the  
40 navigation district receives the notice of intent under Subsection

1 (b), the navigation district may exercise its right of first  
2 refusal under Subsection (b) by delivering to the authority notice  
3 that it intends to exercise that right.

4 (d) The authority may enter into a contract only if the  
5 navigation district:

6 (1) fails to comply with Subsection (c); or

7 (2) complies with Subsection (c) and does not enter  
8 into a contract to sell or otherwise provide water for the use  
9 described by the authority's notice of intent under Subsection (b)  
10 before the expiration of four months after the date the navigation  
11 district receives the notice of intent. (Acts 43rd Leg., 1st C.S.,  
12 Ch. 63, Secs. 13C(e), (f), (g).)

13 Source Law

14 (e) Before entering into a contract to sell or  
15 provide water for any use other than irrigation in  
16 Chambers County outside the district's boundaries that  
17 the navigation district had authority to provide or  
18 sell under the navigation district's water rights on  
19 May 1, 2009, the district must:

20 (1) send to the navigation district a  
21 written notice of intent to sell or provide water for  
22 nonirrigation use in Chambers County outside the  
23 district's boundaries; and

24 (2) allow the navigation district 30 days  
25 to exercise a right of first refusal to provide the  
26 water.

27 (f) Not later than the 30th day after the date  
28 the navigation district receives the notice of intent  
29 under Subsection (e) of this section, the navigation  
30 district may exercise its right of first refusal under  
31 Subsection (e) of this section by delivering to the  
32 district notice that it intends to exercise that  
33 right.

34 (g) The district may enter into a contract  
35 described by Subsection (e) of this section only if the  
36 navigation district:

37 (1) fails to comply with Subsection (f) of  
38 this section; or

39 (2) complies with Subsection (f) of this  
40 section and does not enter into a contract to sell or  
41 otherwise provide water for the use described by the  
42 district's notice of intent under Subsection (e) of  
43 this section before the expiration of four months  
44 after the date the navigation district receives the  
45 notice of intent.

46 [Sections 8504.155-8504.200 reserved for expansion]

47 SUBCHAPTER E. ECONOMIC DEVELOPMENT PROGRAMS

48 Revised Law

49 Sec. 8504.201. DEFINITION. In this subchapter, "economic  
50 development program" includes a community assistance program, a

1 privatization program, or any other program designed to:

2 (1) encourage economic diversification;

3 (2) maintain or expand employment;

4 (3) train persons;

5 (4) eliminate conditions detrimental to the public  
6 health, safety, or welfare;

7 (5) improve the quality or quantity of services  
8 essential for the development of viable communities and economic  
9 growth, including services related to:

10 (A) education;

11 (B) transportation;

12 (C) public safety;

13 (D) recreation;

14 (E) health care;

15 (F) water and wastewater treatment; or

16 (G) rural water and sewer development; or

17 (6) contribute to the health and development of a  
18 community to improve the attractiveness of the community to public  
19 and private enterprises. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec.  
20 13B(h).)

21 Source Law

22 (h) In this section, an economic development  
23 program includes a community assistance program,  
24 privatization program, or any other program designed  
25 to:

26 (1) encourage economic diversification;

27 (2) maintain or expand employment;

28 (3) train persons;

29 (4) eliminate conditions detrimental to  
30 the public health, safety, or welfare;

31 (5) improve the quality or quantity of  
32 services essential for the development of viable  
33 communities and economic growth, including services  
34 related to:

35 (A) education;

36 (B) transportation;

37 (C) public safety;

38 (D) recreation;

39 (E) health care;

40 (F) water and wastewater treatment;

41 or

42 (G) rural water and sewer  
43 development; or

44 (6) contribute to the health and  
45 development of a community to improve the  
46 attractiveness of the community to public and private  
47 enterprises.

1 Revised Law

2 Sec. 8504.202. LEGISLATIVE FINDINGS. The legislature finds  
3 that the economic development programs authorized by this  
4 subchapter are a specific public purpose and governmental function  
5 of the authority in accordance with:

- 6 (1) Section 52-a, Article III, Texas Constitution; and  
7 (2) to the extent that the programs provide assistance  
8 to public firefighting organizations, Section 51-a-1, Article III,  
9 Texas Constitution. (Acts 75th Leg., R.S., Ch. 1263, Sec. 4.)

10 Source Law

11 Sec. 4. The legislature finds that the economic  
12 development programs authorized by Section 13B,  
13 Chapter 63, Acts of the 43rd Legislature, 1st Called  
14 Session, 1933 (Article 8280-103, Vernon's Texas Civil  
15 Statutes), as added by this Act, are a specific public  
16 purpose and governmental function of the Lower Neches  
17 Valley Authority in accordance with:

- 18 (1) Section 52-a, Article III, Texas  
19 Constitution; and  
20 (2) to the extent that the programs  
21 provide assistance to public fire-fighting  
22 organizations, Section 51-a-1, Article III, Texas  
23 Constitution.

24 Revised Law

25 Sec. 8504.203. AUTHORITY FOR ECONOMIC DEVELOPMENT PROGRAM;  
26 PROGRAM AREA. The authority may, in the areas served by the  
27 authority, sponsor and participate in an economic development  
28 program intended to strengthen the economic base and further the  
29 economic development of this state. The program may not be outside  
30 the areas served by the authority unless the authority has entered  
31 into an interlocal agreement with an entity under Section 8504.205.  
32 (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 13B(a).)

33 Source Law

34 Sec. 13B. (a) The district may sponsor and  
35 participate in an economic development program within  
36 the areas served by the district intended to  
37 strengthen the economic base and further the economic  
38 development of the state. The program may not be  
39 outside the areas served by the district unless the  
40 district has entered into an interlocal agreement with  
41 an entity under Subsection (c) of this section.

42 Revised Law

43 Sec. 8504.204. ESTABLISHMENT OF PROGRAM. Each economic  
44 development program must be established by formal action of the

1 board. The board shall:

2 (1) establish the goals of the program;

3 (2) impose requirements on persons participating in  
4 and receiving the benefits of the program; and

5 (3) provide restrictions, procedures, and budget  
6 limits that the board determines are necessary to ensure that the  
7 governmental purposes of this subchapter and the program are  
8 achieved. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 13B(b).)

9 Source Law

10 (b) Each program must be established by formal  
11 action of the Board of Directors of the district. The  
12 Board of Directors shall:

13 (1) establish the goals of the program;

14 (2) impose requirements on persons  
15 participating in and receiving the benefits of the  
16 program; and

17 (3) provide restrictions, procedures, and  
18 budget limits that the Board of Directors determines  
19 are necessary to ensure that the governmental purposes  
20 of this section and the program are achieved.

21 Revised Law

22 Sec. 8504.205. PARTICIPATION IN PROGRAM BY OTHER PERSONS.  
23 A program under this subchapter may involve grants or loans of  
24 money, services, or equipment to a person engaged in an economic  
25 development activity, including a public firefighting  
26 organization, governmental body, nonprofit corporation, local or  
27 regional development council, or other nonprofit or noncommercial  
28 organization. The authority may provide assistance to a for-profit  
29 entity if the assistance is necessary or appropriate to carry out an  
30 economic development program consistent with the purposes of this  
31 subchapter. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 13B(c).)

32 Source Law

33 (c) A program under this section may involve  
34 grants or loans of money, services, or equipment to a  
35 person engaged in an economic development activity,  
36 including a public fire-fighting organization,  
37 governmental body, nonprofit corporation, local or  
38 regional development council, or other nonprofit or  
39 noncommercial organization. The district may provide  
40 assistance to a for-profit entity if the assistance is  
41 necessary or appropriate to carry out an economic  
42 development program consistent with the purposes of  
43 this section.

1 Revised Law

2 Sec. 8504.206. STAFFING AND FUNDING OF PROGRAM. (a) The  
3 authority may employ staff and spend authority resources to further  
4 an economic development program under this subchapter, except that  
5 the authority may not use money received from an ad valorem tax or a  
6 general appropriation to further a program.

7 (b) The authority may apply for and receive from any source  
8 money, grants, or other assistance to carry out an economic  
9 development program under this subchapter. (Acts 43rd Leg., 1st  
10 C.S., Ch. 63, Sec. 13B(d).)

11 Source Law

12 (d) The district may employ staff and expend its  
13 resources to further an economic development program  
14 under this section, except that the district may not  
15 use money received from an ad valorem tax or a general  
16 appropriation to further a program. The district may  
17 apply for and receive money, grants, or other  
18 assistance from any source to carry out an economic  
19 development program under this section.

20 Revised Law

21 Sec. 8504.207. AGREEMENT. The authority and any other  
22 public or private person may enter into an agreement with respect to  
23 an economic development program. (Acts 43rd Leg., 1st C.S., Ch. 63,  
24 Sec. 13B(e).)

25 Source Law

26 (e) The district and any other public or private  
27 person may enter into an agreement with respect to an  
28 economic development program.

29 Revised Law

30 Sec. 8504.208. GUIDELINES FOR ASSISTANCE TO PUBLIC  
31 FIREFIGHTING ORGANIZATIONS. If the authority provides  
32 scholarships, grants, loans, or financial assistance to a public  
33 firefighting organization, the authority shall adopt guidelines to  
34 determine:

35 (1) eligibility for the assistance;

36 (2) the amount of grants, loans, or other assistance  
37 the authority may make available to a firefighting organization;  
38 and

39 (3) the type of equipment, education, or training for

1 which the assistance may be used. (Acts 43rd Leg., 1st C.S., Ch.  
2 63, Sec. 13B(f).)

3 Source Law

4 (f) If the district provides scholarships,  
5 grants, loans, or financial assistance to a public  
6 fire-fighting organization, the district shall adopt  
7 guidelines to determine:

- 8 (1) eligibility for the assistance;  
9 (2) the amount of loans, grants, or other  
10 assistance the district may make available to a  
11 fire-fighting organization; and  
12 (3) the type of equipment, education, or  
13 training for which the assistance may be used.

14 Revised Law

15 Sec. 8504.209. BOARD DETERMINATION CONCLUSIVE. A  
16 determination by the board that a program is intended and expected  
17 to carry out the program's stated purposes is conclusive with  
18 respect to whether the purposes of this subchapter are satisfied.  
19 (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 13B(g).)

20 Source Law

21 (g) A determination by the Board of Directors  
22 that a program is intended and expected to carry out  
23 the program's stated purposes is conclusive with  
24 respect to whether the purposes of this section are  
25 satisfied.

26 [Sections 8504.210-8504.250 reserved for expansion]

27 SUBCHAPTER F. GENERAL FINANCIAL PROVISIONS

28 Revised Law

29 Sec. 8504.251. FEES AND CHARGES. (a) The board shall  
30 prescribe fees and charges to be collected for the use of water, a  
31 water connection, or another service.

32 (b) The fees and charges must be reasonable and equitable  
33 and sufficient to produce revenue adequate to pay the items  
34 described by Subsection (c). The fees and charges may not exceed  
35 what may be reasonably necessary to fulfill the obligations imposed  
36 on the authority by this chapter.

37 (c) The board shall pay the following items from the fees  
38 and charges:

- 39 (1) all expenses necessary to the operation and  
40 maintenance of the improvements and facilities of the authority,  
41 including:

1 (A) the cost of acquiring materials and other  
2 property necessary to maintain the improvements and facilities in  
3 good condition and to operate them efficiently;

4 (B) necessary wages and salaries of the  
5 authority; and

6 (C) other expenses reasonably necessary to the  
7 efficient operation of the improvements and facilities;

8 (2) the interest on any obligation issued under this  
9 chapter and payable from the revenue from the improvements and  
10 facilities; and

11 (3) the amount required to be paid for the payment of  
12 an obligation issued under this chapter and payable from the  
13 revenue from the improvements and facilities.

14 (d) If the revenue received exceeds the amount required for  
15 the purposes listed in Subsection (c), the board may pay from the  
16 excess revenue the cost of improvements and replacements not  
17 covered by Subsection (c)(1) and may establish a reasonable  
18 depreciation and emergency fund. (Acts 43rd Leg., 1st C.S., Ch. 63,  
19 Sec. 13A-4.)

20 Source Law

21 Sec. 13A-4. (a) The Board of Directors of the  
22 district shall prescribe fees and charges to be  
23 collected for the use of water, water connections or  
24 other services, which fees and charges shall be  
25 reasonable and equitable and fully sufficient to  
26 produce revenues adequate to pay, and the Board of  
27 Directors shall cause to be paid therefrom:

28 (1) all expenses necessary to the  
29 operation and maintenance of the improvements and  
30 facilities of the district. Such operating and  
31 maintenance expenses shall include the cost of the  
32 acquisition of properties and materials necessary to  
33 maintain the improvements and facilities in good  
34 condition and to operate them efficiently, necessary  
35 wages and salaries of the district, and such other  
36 expenses as may be reasonably necessary to the  
37 efficient operation of the improvements and  
38 facilities;

39 (2) the interest upon any obligations  
40 issued hereunder payable out of the revenues of said  
41 improvements and facilities; and

42 (3) the amount required to be paid for the  
43 payment of any obligations issued hereunder payable  
44 out of the revenues of said improvements and  
45 facilities.

46 (b) Out of revenues which may be received in  
47 excess of those required for the purposes listed in the  
48 above Subsections (a)(1), (2) and (3), the Board of

1 Directors may pay the cost of improvements and  
2 replacements not covered by Subsection (a)(1), and may  
3 establish a reasonable depreciation and emergency  
4 fund.

5 (c) It is the intent of this Act that the fees  
6 and charges of the district shall not be in excess of  
7 what may be reasonably necessary to fulfill the  
8 obligations imposed upon the district by this Act.

9 Revisor's Note

10 Section 13A-4(c), Chapter 63, Acts of the 43rd  
11 Legislature, 1st Called Session, 1933, provides that  
12 "[i]t is the intent of this Act that" the fees and  
13 charges of the authority not exceed what may be  
14 reasonably necessary to fulfill the obligations  
15 imposed on the authority by the act. The revised law  
16 omits the reference to legislative intent and provides  
17 that the fees and charges may not exceed what may be  
18 reasonably necessary to fulfill the obligations of the  
19 authority by this chapter to reflect the legislature's  
20 intent to limit the amount of the authority's fees and  
21 charges.

22 Revised Law

23 Sec. 8504.252. TAX OR SPECIAL ASSESSMENT NOT AUTHORIZED BY  
24 CHAPTER. This chapter does not authorize the authority to levy a  
25 tax or special assessment or to create any debt payable from taxes.  
26 (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 1 (part).)

27 Source Law

28 Sec. 1. . . . except nothing herein contained  
29 shall authorize said district to levy any taxes or  
30 special assessments, or to create any debt payable out  
31 of taxation; and . . . .

32 [Sections 8504.253-8504.300 reserved for expansion]

33 SUBCHAPTER G. OBLIGATIONS RELATING TO BORROWED MONEY

34 Revised Law

35 Sec. 8504.301. GENERAL POWER TO BORROW MONEY. (a) The  
36 authority may:

37 (1) borrow money for any corporate purpose from any  
38 source; and

39 (2) issue a note, warrant, bond, certificate of  
40 indebtedness, or other form of obligation of the authority as

1 evidence of the borrowed money.

2 (b) An obligation of the authority under Subsection (a) is  
3 payable only from revenue derived from authority improvements and  
4 facilities and the operation and services of the improvements and  
5 facilities. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 16.)

6 Source Law

7 Sec. 16. The district may borrow money for any  
8 corporate purpose from any source, and in evidence  
9 thereof may issue the notes, warrants, bonds,  
10 certificates of indebtedness, or other forms of  
11 obligations of the district, payable solely out of the  
12 revenues to be derived from district improvements and  
13 facilities and the operations and services thereof.

14 Revised Law

15 Sec. 8504.302. COVENANTS FOR MARKETABILITY. (a) As  
16 considered necessary to ensure the marketability of obligations  
17 issued under this chapter, a resolution or order authorizing  
18 issuance may contain covenants with the holders of the obligations  
19 as to:

20 (1) the management and operation of the authority's  
21 improvements and facilities;

22 (2) the collection of fees and charges for the use of  
23 the improvements and facilities;

24 (3) the disposition of the fees and charges;

25 (4) the issuance of future obligations and the  
26 creation of future liens, mortgages, and encumbrances against the  
27 improvements and facilities and the revenue of the improvements and  
28 facilities; and

29 (5) other pertinent matters.

30 (b) A covenant under this section may not be inconsistent  
31 with this chapter. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 20.)

32 Source Law

33 Sec. 20. Any resolution or order authorizing  
34 the issuance of obligations hereunder may contain such  
35 covenants with the holders of the obligations as to the  
36 management and operation of said improvements and  
37 facilities, collection of fees and charges for the use  
38 thereof, disposition of such fees and charges,  
39 issuance of future obligations and creation of future  
40 liens, mortgages and encumbrances against said  
41 improvements and facilities, and the revenues thereof  
42 and other pertinent matters, as may be deemed

1 necessary to insure the marketability of said  
2 obligations, provided such covenants are not  
3 inconsistent with the provisions of this Act.

4 Revised Law

5 Sec. 8504.303. HOLDER OF OBLIGATION MAY COMPEL PERFORMANCE.

6 (a) A holder of obligations issued under this chapter or of coupons  
7 originally attached to the obligations may enforce and compel the  
8 board's performance of all duties required by this chapter,  
9 including:

10 (1) setting and collecting reasonable and sufficient  
11 fees or charges for the use of the authority's improvements and  
12 facilities;

13 (2) segregating the income and revenue of the  
14 improvements and facilities; and

15 (3) applying the income and revenue under this  
16 chapter.

17 (b) The holder of the obligations or coupons may act under  
18 Subsection (a):

19 (1) at law or in equity; and

20 (2) by an action, mandamus, or other proceeding.

21 (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 22 (part).)

22 Source Law

23 Sec. 22. Any holder of obligations issued  
24 hereunder or of coupons originally attached thereto,  
25 may either at law or in equity, by suit, action,  
26 mandamus, or other proceeding, enforce and compel  
27 performance of all duties required by this Act to be  
28 performed by the Board of Directors, including the  
29 making and collecting of reasonable and sufficient  
30 fees or charges for the use of the improvements and  
31 facilities of the district, the segregation of the  
32 income and revenues of such improvements and  
33 facilities, and the application of such income and  
34 revenues pursuant to the provisions of this Act. . . .

35 Revisor's Note

36 (1) Section 22, Chapter 63, Acts of the 43rd  
37 Legislature, 1st Called Session, 1933, authorizes a  
38 holder of obligations to bring a "suit" or "action."  
39 The revised law omits "suit" because the meaning of the  
40 term is included in the meaning of "action."

41 (2) Section 22, Chapter 63, Acts of the 43rd

1 Legislature, 1st Called Session, 1933, refers to the  
2 board's duty in "making and collecting" fees or  
3 charges. The revised law substitutes "setting" for  
4 "making" because the terms are synonymous in this  
5 context and "setting" is more commonly used.

6 Revised Law

7 Sec. 8504.304. HOLDER OF OBLIGATION ENTITLED TO  
8 ADMINISTRATOR OR RECEIVER. (a) If there is a default in the  
9 payment of the principal of or interest on an obligation issued  
10 under this chapter, any holder of the obligation is entitled to have  
11 a court appoint an administrator or receiver to administer and  
12 operate, on behalf of the authority and the holders of the  
13 obligation, the improvements and facilities the revenue of which is  
14 pledged to the payment of the obligation.

15 (b) The administrator or receiver may:

16 (1) set and collect fees and charges sufficient to:

17 (A) provide for the payment of operation and  
18 maintenance expenses as described by this chapter; and

19 (B) pay any outstanding obligations or interest  
20 coupons payable from the revenue of the improvements and  
21 facilities; and

22 (2) apply the income and revenue of the improvements  
23 and facilities in accordance with this chapter and the proceedings  
24 authorizing the issuance of the obligation. (Acts 43rd Leg., 1st  
25 C.S., Ch. 63, Sec. 22 (part).)

26 Source Law

27 Sec. 22. . . . If there be any default in the  
28 payment of the principal of or interest on any of such  
29 obligations, any holder thereof shall be entitled to  
30 have an administrator or receiver appointed by any  
31 court having jurisdiction to administer and operate  
32 the improvements and facilities, the revenues of which  
33 are pledged to the payment of such obligations, in  
34 behalf of the district and the holders of such  
35 obligations, with power to fix and collect fees and  
36 charges sufficient to provide for the payment of  
37 operation and maintenance expenses as hereinabove  
38 defined, and to pay any obligations or interest  
39 coupons outstanding payable from the revenues of such  
40 improvements and facilities, and to apply the income  
41 and revenues thereof in conformity with the provisions  
42 of this Act and the proceedings authorizing the

1 issuance of said obligations.

2 Revisor's Note

3 (1) Section 22, Chapter 63, Acts of the 43rd  
4 Legislature, 1st Called Session, 1933, refers to a  
5 court "having jurisdiction." The revised law omits  
6 the quoted language because the general laws of civil  
7 jurisdiction determine which courts have jurisdiction  
8 over the matter. For example, see Section 24.003,  
9 Government Code, for the jurisdiction of certain  
10 district courts to appoint receivers.

11 (2) Section 22, Chapter 63, Acts of the 43rd  
12 Legislature, 1st Called Session, 1933, refers to the  
13 power of an administrator or receiver to "fix" fees and  
14 charges. The revised law substitutes "set" for "fix"  
15 for the reason stated in the revisor's note to Section  
16 8504.057.

17 Revised Law

18 Sec. 8504.305. ADDITIONAL SECURITY FOR OBLIGATION:  
19 MORTGAGE AND ENCUMBRANCE. (a) As additional security for the  
20 payment of an obligation issued under this chapter, the board may  
21 have executed in favor of the holder of the obligation an indenture  
22 mortgaging and encumbering:

23 (1) the improvements, facilities, and other property  
24 acquired with the proceeds of the sale of the obligation; or

25 (2) all the authority's improvements, facilities, and  
26 other property.

27 (b) The indenture may also mortgage and encumber the revenue  
28 to be derived from the operation of the improvements, facilities,  
29 and other property.

30 (c) In the encumbrance, the board may provide for granting  
31 to any purchaser at a foreclosure sale under the encumbrance a  
32 franchise to operate the improvements, facilities, and other  
33 property for a term not to exceed 50 years after the date of the  
34 purchase, subject to the laws regulating the matter.

35 (d) The indenture:

1 (1) may contain the provisions the board considers  
2 proper; and

3 (2) is enforceable in the manner provided by the laws  
4 of this state for the enforcement of other mortgages and  
5 encumbrances. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 23 (part).)

6 Source Law

7 Sec. 23. As additional security for the payment  
8 of any obligations issued hereunder, the Board of  
9 Directors may in its discretion have executed in favor  
10 of the holders of such obligations an indenture  
11 mortgaging and encumbering the improvements,  
12 facilities, and properties acquired with the proceeds  
13 of the sale of such obligations, and/or all of the  
14 improvements, facilities, and properties of the  
15 district, which indenture may likewise mortgage and  
16 encumber the revenues to be derived from the operation  
17 of such improvements, facilities, and properties, and  
18 may provide in such encumbrance for a grant to any  
19 purchaser or purchasers at foreclosure sale thereunder  
20 of a franchise to operate such improvements,  
21 facilities, and properties for a term of not over fifty  
22 (50) years from the date of such purchase, subject to  
23 all law regulating same then in force. Any such  
24 indenture may contain such terms and provisions as the  
25 Board of Directors shall deem proper and shall be  
26 enforceable in the manner provided by the laws of Texas  
27 for the enforcement of other mortgages and  
28 encumbrances. . . .

29 Revisor's Note

30 Section 23, Chapter 63, Acts of the 43rd  
31 Legislature, 1st Called Session, 1933, provides that  
32 an indenture may contain the "terms and provisions"  
33 the board considers proper. The revised law omits  
34 "terms" because the meaning of the term is included in  
35 the meaning of "provisions."

36 Revised Law

37 Sec. 8504.306. SALE UNDER MORTGAGE OR ENCUMBRANCE. (a)  
38 Under a sale ordered under a mortgage or encumbrance described by  
39 Section 8504.305, a purchaser of the improvements, facilities, and  
40 other property at the sale, and the purchaser's successors or  
41 assigns, are vested with a permit and franchise to maintain and  
42 operate the improvements, facilities, and other property, with  
43 powers and privileges like those held by the authority in the  
44 operation of the improvements, facilities, and other property.

45 (b) Instead of operating the improvements, facilities, and

1 other property as provided by Subsection (a), the purchaser and the  
2 purchaser's successors or assigns may remove all or part of the  
3 improvements, facilities, and other property for diversion to other  
4 purposes. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec. 23 (part).)

5 Source Law

6 Sec. 23. . . . Under any sale ordered pursuant  
7 to the provisions of such mortgage or encumbrance, the  
8 purchaser or purchasers at such sale, and his or their  
9 successors or assigns, shall be and hereby are vested  
10 with a permit and franchise to maintain and operate the  
11 improvements, facilities, and properties purchased at  
12 such sale with like powers and privileges as may  
13 theretofore have been enjoyed by the district in the  
14 operation of said improvements, facilities, and  
15 properties. The purchaser or purchasers of such  
16 improvements, facilities, and properties at any such  
17 sale, and his or their successors and assigns, may  
18 operate said improvements, facilities, and properties  
19 as provided in the last above sentence or may at their  
20 option remove all or part of said improvements,  
21 facilities, and properties for diversion to other  
22 purposes. . . .

23 Revisor's Note

24 Section 23, Chapter 63, Acts of the 43rd  
25 Legislature, 1st Called Session, 1933, provides that  
26 any statutes of this state pertaining to the granting  
27 of franchises do not apply to the authorization or  
28 execution of any mortgage or encumbrance entered into  
29 under this act or to the granting of any franchise  
30 under this act. The revised law omits the statement as  
31 unnecessary and potentially misleading. An accepted  
32 general principle of statutory construction requires a  
33 statute to be given cumulative effect with other  
34 statutes unless it provides otherwise or unless the  
35 statutes are in conflict. To the extent the statement  
36 means that the act prevails over other law in existence  
37 at the time the act became effective and with which the  
38 act conflicts, it merely restates general rules of  
39 statutory construction. To the extent the statement  
40 means the act prevails over future enactments of the  
41 legislature that may conflict with it, it is  
42 misleading in that one session of the legislature may

1 not bind a future session of the legislature.  
2 Conflicts between the revised law (which is a local  
3 law) and other laws are governed by Section 311.026,  
4 Government Code (Code Construction Act). That section  
5 provides that if there is a conflict between a general  
6 provision of law and a special or local provision, the  
7 special or local provision prevails unless the general  
8 provision is the later enactment and the manifest  
9 intent is that the general provision prevail. The  
10 omitted law reads:

11                   Sec. 23. . . . Any Statutes of the  
12 State of Texas pertaining to the granting of  
13 franchise shall not be applicable to the  
14 authorization or execution of any mortgage  
15 or encumbrance entered into pursuant to the  
16 provisions of this Act, nor to the granting  
17 of any franchise hereunder.

18   Revised Law

19           Sec. 8504.307. INSURING IMPROVEMENTS AND FACILITIES. (a)  
20 The board and the purchaser of an obligation issued under this  
21 chapter may enter into an agreement under which the board agrees to:

22                   (1) keep all the improvements and facilities, the  
23 revenue of which is pledged to the payment of the obligation,  
24 insured with one or more insurers of good standing against loss or  
25 damage by fire, water or flood, or another hazard that private  
26 companies operating similar properties customarily cover by  
27 insurance; and

28                   (2) carry with one or more insurers of good standing  
29 the insurance covering the use and occupancy of the property that is  
30 customarily carried by private companies operating similar  
31 properties.

32                   (b) The board shall budget the cost of the insurance as a  
33 maintenance and operation expense.

34                   (c) The insurance shall be carried for the benefit of the  
35 holder of the obligation. (Acts 43rd Leg., 1st C.S., Ch. 63, Sec.  
36 25; New.)

1 Source Law

2 Sec. 25. The Board of Directors is authorized to  
3 enter into an agreement or agreements with the  
4 purchaser or purchasers of any obligations issued  
5 hereunder under the terms of which such Board shall  
6 agree to keep all of the improvements and facilities,  
7 the revenues of which are pledged to the payment of  
8 such obligations, insured with insurers of good  
9 standing against loss or damage by fire, water or  
10 flood, and also from any other hazards customarily  
11 insured against by private companies operating similar  
12 properties, and to carry with insurers of good  
13 standing such insurance covering the use and occupancy  
14 of such property as is customarily carried by such  
15 private companies. The cost of such insurance shall be  
16 budgeted as maintenance and operation expense and such  
17 insurance shall be carried for the benefit of the  
18 holders of such obligations.

19 Revisor's Note

20 Section 25, Chapter 63, Acts of the 43rd  
21 Legislature, 1st Called Session, 1933, authorizes the  
22 board to enter into "an agreement or agreements" with  
23 the "purchaser or purchasers" of certain obligations  
24 under the terms of which the board agrees to keep  
25 certain improvements and facilities insured with  
26 "insurers" of good standing. The revised law adds a  
27 reference to "one or more" insurers of good standing  
28 because it is clear from the context that the board may  
29 agree to keep the improvements and facilities insured  
30 with one insurer or with multiple insurers.

31 Revised Law

32 Sec. 8504.308. TAX EXEMPTION. An obligation issued under  
33 this chapter is exempt from taxation by this state or by any  
34 political subdivision of this state. (Acts 43rd Leg., 1st C.S., Ch.  
35 63, Sec. 26.)

36 Source Law

37 Sec. 26. Any obligations issued pursuant to the  
38 provisions of this Act shall be exempt from taxation by  
39 the State of Texas or by any municipal corporation,  
40 county, or other political subdivision of taxing  
41 district of the state.

42 Revisor's Note

43 Section 26, Chapter 63, Acts of the 43rd  
44 Legislature, 1st Called Session, 1933, refers to a

1 "municipal corporation, county, or other political  
2 subdivision [or] taxing district of the state." The  
3 revised law omits the references to "municipal  
4 corporation," "county," and "taxing district"  
5 because, in context, the terms are included in the  
6 meaning of "political subdivision" of this state.

7 Revisor's Note  
8 (End of Chapter)

9 (1) Section 30, Chapter 63, Acts of the 43rd  
10 Legislature, 1st Called Session, 1933, provides that  
11 the act is severable. The revised law omits that  
12 provision because it duplicates Section 311.032,  
13 Government Code (Code Construction Act), which  
14 provides that a provision of a statute is severable  
15 from each other provision of the statute that can be  
16 given effect. The omitted law reads:

17 Sec. 30. If any paragraph, clause or  
18 provisions of this Act shall be held  
19 unconstitutional, the validity of the other  
20 provisions of this Act shall not be affected  
21 thereby, but shall remain in full force and  
22 effect.

23 (2) Section 2, Chapter 873, Acts of the 71st  
24 Legislature, Regular Session, 1989, and Section 5,  
25 Chapter 1263, Acts of the 75th Legislature, Regular  
26 Session, 1997, provide that each act applies only to  
27 the appointment of directors on or after the effective  
28 date of the act. The revised law omits those  
29 provisions because under Section 311.022, Government  
30 Code (Code Construction Act), all statutes are  
31 presumed to have prospective application unless  
32 expressly provided otherwise. The omitted law reads:

33 [Acts 71st Leg., R.S., Ch. 873]

34 Sec. 2. This Act applies only to  
35 appointments made by the Texas Water  
36 Development Board to the board of directors  
37 of the Lower Neches Valley Authority on and  
38 after the effective date of this Act.

39 [Acts 75th Leg., R.S., Ch. 1263]

40 Sec. 5. The changes in law made by  
41 Section 1 of this Act relating to

1 appointment of directors to the board of the  
2 Lower Neches Valley Authority apply only to  
3 appointments made on or after the effective  
4 date of that section and do not affect the  
5 entitlement of a director serving on the  
6 board on May 1, 1997, to continue to hold  
7 office for the remainder of the term for  
8 which the person was appointed. The  
9 governor shall appoint directors to the  
10 board as vacancies occur after the  
11 effective date of Section 1 of this Act.

12 (3) Section 2, Chapter 115, Acts of the 82nd  
13 Legislature, Regular Session, 2011, validates certain  
14 actions of the board of directors of the authority  
15 taken before the effective date of that chapter. The  
16 revised law omits the provision because it served its  
17 purposes on the day it took effect and is executed law.  
18 Section 311.031(a)(2), Government Code (Code  
19 Construction Act), provides that the revision or  
20 repeal of a statute does not affect any validation  
21 previously made under the statute. The omitted law  
22 reads:

23 Sec. 2. (a) All governmental acts  
24 and proceedings taken by the board of  
25 directors of the Lower Neches Valley  
26 Authority before the effective date of this  
27 Act in reliance on the local law of that  
28 district as it existed before that date are  
29 validated as of the date they occurred.

30 (b) This Act does not validate an act  
31 or proceeding that on the effective date of  
32 this Act:

33 (1) is involved in litigation  
34 if the litigation ultimately results in the  
35 act or proceeding being held invalid by a  
36 final court judgment; or

37 (2) has been held invalid by a  
38 final court judgment.

39 (4) Section 3, Chapter 115, Acts of the 82nd  
40 Legislature, Regular Session, 2011, provides that that  
41 chapter does not limit the powers granted to the  
42 authority by any other law, impliedly repeal any laws  
43 granting powers to the authority, or affect the  
44 entitlement of a person serving as a member or officer  
45 of the board of directors of the authority before the  
46 effective date of that chapter to continue to carry out  
47 the board's functions for the remainder of the person's

1 term of office. The revised law omits the provisions  
2 relating to the effect of that chapter on the powers of  
3 the authority because it is an accepted general  
4 principle of statutory construction that a grant of a  
5 power does not act as a limitation. The general  
6 principle applies to the revision. The revised law  
7 omits the provision relating to the entitlement of a  
8 person to serve as a member or officer of the board of  
9 directors of the authority for the reason stated in  
10 Revisor's Note (2) at the end of this chapter. The  
11 omitted law reads:

12 Sec. 3. This Act does not:

13 (1) limit the powers granted to  
14 the Lower Neches Valley Authority by any  
15 other law;

16 (2) impliedly repeal any laws  
17 granting powers to the Lower Neches Valley  
18 Authority; or

19 (3) affect the entitlement of a  
20 person serving as a member or officer of the  
21 board of directors of the Lower Neches  
22 Valley Authority immediately before the  
23 effective date of this Act to continue to  
24 carry out the board's functions for the  
25 remainder of the person's term of office.

26 (5) Section 4, Chapter 115, Acts of the 82nd  
27 Legislature, Regular Session, 2011, provides that the  
28 change in law made by that chapter to Section 12,  
29 Chapter 63, Acts of the 43rd Legislature, 1st Called  
30 Session, 1933, does not apply to an offense committed  
31 under that section before the effective date of that  
32 chapter. Chapter 115 effectively repealed Section 12  
33 of Chapter 63, which prohibited a director, engineer,  
34 or employee of the authority from being interested in  
35 certain authority contracts and provided a criminal  
36 penalty for a violation of that section. The revised  
37 law omits Section 4 of Chapter 115 because it is  
38 executed and because under Section 311.031(a)(3),  
39 Government Code (Code Construction Act), the  
40 reenactment, revision, amendment, or repeal of a  
41 statute does not affect any violation of the statute or

1 any penalty, forfeiture, or punishment incurred under  
2 the statute before its amendment or repeal. The  
3 omitted law reads:

4           Sec. 4. The change in law made by  
5 this Act to Section 12, Chapter 63, Acts of  
6 the 43rd Legislature, 1st Called Session,  
7 1933, does not apply to an offense committed  
8 under that section before the effective  
9 date of this Act. An offense committed  
10 before the effective date of this Act is  
11 governed by the law as it existed on the  
12 date the offense was committed, and the  
13 former law is continued in effect for that  
14 purpose. For purposes of this section, an  
15 offense was committed before the effective  
16 date of this Act if any element of the  
17 offense occurred before that date.

18           (6) Section 5, Chapter 115, Acts of the 82nd  
19 Legislature, Regular Session, 2011, recites  
20 legislative findings regarding procedural  
21 requirements for legislation affecting the authority  
22 under the constitution and other laws and rules,  
23 including proper legal notice and the filing of  
24 recommendations. The revised law omits that provision  
25 as executed. The omitted law reads:

26           Sec. 5. (a) The legal notice of the  
27 intention to introduce this Act, setting  
28 forth the general substance of this Act, has  
29 been published as provided by law, and the  
30 notice and a copy of this Act have been  
31 furnished to all persons, agencies,  
32 officials, or entities to which they are  
33 required to be furnished under Section 59,  
34 Article XVI, Texas Constitution, and  
35 Chapter 313, Government Code.

36           (b) The governor, one of the required  
37 recipients, has submitted the notice and  
38 Act to the Texas Commission on  
39 Environmental Quality.

40           (c) The Texas Commission on  
41 Environmental Quality has filed its  
42 recommendations relating to this Act with  
43 the governor, the lieutenant governor, and  
44 the speaker of the house of representatives  
45 within the required time.

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

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4 CHAPTER 8505. CENTRAL COLORADO RIVER AUTHORITY

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Revised Law

7 Sec. 8505.001. DEFINITIONS. In this chapter:

8 (1) "Authority" means the Central Colorado River  
9 Authority.

10 (2) "Board" means the board of directors of the  
11 authority.

12 (3) "Commission" means the Texas Commission on  
13 Environmental Quality.

14 (4) "Director" means a member of the board. (Acts 44th  
15 Leg., R.S., G.L., Ch. 338, Secs. 1 (part), 4(a) (part); New.)

16 Source Law

17 Sec. 1. . . . district to be known as "Central  
18 Colorado River Authority" (hereinafter called the  
19 District) and . . . .

20 Sec. 4. (a) . . . a board of . . . directors  
21 (herein called the Board), . . . .

22 Revisor's Note

23 (1) Although Chapter 338, General Laws, Acts of  
24 the 44th Legislature, Regular Session, 1935, refers to  
25 the authority as the "District," throughout this  
26 chapter the revised law uses the term "authority"  
27 rather than "district" to more closely conform to the  
28 name of the authority.

29 (2) The definitions of "commission" and  
30 "director" are added to the revised law for drafting  
31 convenience and to eliminate frequent, unnecessary  
32 repetition of the substance of the definitions.

33 Revised Law

34 Sec. 8505.002. CREATION AND NATURE OF AUTHORITY. (a) The  
35 authority is created as a conservation and reclamation district.

36 (b) The creation of the authority is essential to the

1 accomplishment of the purposes of Section 59, Article XVI, Texas  
2 Constitution. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 1 (part).)

3 Source Law

4 Sec. 1. There is hereby created within the State  
5 of Texas, in addition to the district into which the  
6 State has heretofore been divided, a conservation and  
7 reclamation district [to be known as "Central Colorado  
8 River Authority"] . . . . Such District shall be and is  
9 hereby declared to be a governmental agency and body  
10 politic and corporate, . . . and the creation of such  
11 District is hereby determined to be essential to the  
12 accomplishment of the purposes of Section 59 of  
13 Article 16 of the Constitution of the State of Texas,  
14 . . . .

15 Revisor's Note

16 (1) Section 1, Chapter 338, General Laws, Acts  
17 of the 44th Legislature, Regular Session, 1935, states  
18 that the authority is created "within the State of  
19 Texas, in addition to the district into which the State  
20 has heretofore been divided." The revised law omits  
21 the quoted language because the absence of the  
22 language does not imply that the legislature could  
23 create a district outside this state or that the  
24 district is not in addition to other districts created  
25 in this state.

26 (2) Section 1, Chapter 338, General Laws, Acts  
27 of the 44th Legislature, Regular Session, 1935, refers  
28 to the authority as "a conservation and reclamation  
29 district" and as "a governmental agency and body  
30 politic and corporate." The revised law omits the  
31 references to "governmental agency" and "body politic  
32 and corporate" because they duplicate a portion of  
33 Section 59(b), Article XVI, Texas Constitution, which  
34 provides that a conservation and reclamation district  
35 is a governmental agency and a body politic and  
36 corporate.

37 (3) Section 1, Chapter 338, General Laws, Acts  
38 of the 44th Legislature, Regular Session, 1935,  
39 includes a list of the purposes of the district under

1 Section 59, Article XVI, Texas Constitution. The  
2 revised law omits the list of purposes because it  
3 duplicates in substance a portion of Section 59(a),  
4 Article XVI, Texas Constitution, which provides for  
5 the purposes of conservation and reclamation districts  
6 created under that section. Although Section 1 of  
7 Chapter 338 refers to "the waters of the Central  
8 Colorado River and its tributaries" and Section 59(a)  
9 of Article XVI refers to "the waters of [the state's]  
10 rivers and streams," the quoted language of Section 1  
11 is substantively duplicative of the quoted language of  
12 Section 59(a) because the Colorado River is one of the  
13 state's rivers and streams. The omitted law reads:

14 Sec. 1. . . . [the creation of such  
15 District is hereby determined to be  
16 essential to the accomplishment of the  
17 purposes of Section 59 of Article 16 of the  
18 Constitution of the State of Texas,]  
19 including (to the extent hereinafter  
20 authorized) the control, storing,  
21 preservation and distribution of the waters  
22 of the Central Colorado River and its  
23 tributaries for domestic, municipal, flood  
24 control, irrigation, power and other useful  
25 purposes, the reclamation and irrigation of  
26 arid, semi-arid and other lands needing  
27 irrigation; and the conservation and  
28 development of the forests, water and  
29 hydroelectric power of the State of Texas.  
30 . . .

31 Revised Law

32 Sec. 8505.003. TERRITORY. Unless modified under Subchapter  
33 J, Chapter 49, Water Code, or other law, the authority's territory  
34 consists of that part of this state included in the boundaries of  
35 Coleman County. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 1  
36 (part); New.)

37 Source Law

38 Sec. 1. [There is hereby created within the  
39 State of Texas . . . a conservation and reclamation  
40 district to be known as "Central Colorado River  
41 Authority"] . . . consisting of that part of the State  
42 of Texas which is included within the boundaries of the  
43 county of Coleman. . . .

44 Revisor's Note

45 The revision of the law governing the authority

1 revises the statutory language describing the  
2 territory of the authority. Because the authority's  
3 boundaries are subject to change, that description may  
4 not be accurate on the effective date of the revision  
5 or at the time of a later reading. For the reader's  
6 convenience, the revised law adds references to the  
7 statutory authority to change the authority's  
8 territory under Subchapter J, Chapter 49, Water Code,  
9 applicable to the authority under Sections 49.001 and  
10 49.002 of that chapter, and to the general authority of  
11 the legislature to enact a law to change the  
12 authority's territory.

13 Revised Law

14 Sec. 8505.004. LIBERAL CONSTRUCTION OF CHAPTER. This  
15 chapter shall be liberally construed to effect its purposes. (Acts  
16 44th Leg., R.S., G.L., Ch. 338, Secs. 19, 19A.)

17 Source Law

18 Sec. 19. This Act and all of the terms and  
19 provisions hereof shall be liberally construed to  
20 effectuate the purposes set forth herein.

21 Sec. 19A. This Act and all of the terms and  
22 provisions hereof shall be liberally construed to  
23 effectuate the purposes set forth herein.

24 Revisor's Note  
25 (End of Subchapter)

26 Section 18, Chapter 338, General Laws, Acts of  
27 the 44th Legislature, Regular Session, 1935, provides  
28 that the act, without reference to other statutes, is  
29 full authority for the authorization and issuance of  
30 bonds and that no other law with regard to the  
31 authorization or issuance of obligations or the  
32 deposit of the proceeds of obligations, or in any way  
33 impeding or restricting the carrying out of the acts  
34 authorized by the act to be done, applies to any  
35 proceedings taken under the act or acts done pursuant  
36 to the act.

37 The revised law omits the statement that the act,

1 without reference to other statutes, is full authority  
2 for the authorization and issuance of bonds because it  
3 is unnecessary. The operative provisions of the act  
4 are fully effective on their own terms.

5 The revised law omits as unnecessary and  
6 potentially misleading the statement that no other law  
7 with regard to the authorization or issuance of  
8 obligations or the deposit of the proceeds of  
9 obligations, or in any way impeding or restricting the  
10 carrying out of the acts authorized by the act to be  
11 done, applies to any proceedings taken under the act or  
12 acts done pursuant to the act. An accepted general  
13 principle of statutory construction requires a statute  
14 to be given cumulative effect with other statutes  
15 unless it provides otherwise or unless the statutes  
16 are in conflict. To the extent the statement means  
17 that the act prevails over other law in existence at  
18 the time the act became effective and with which the  
19 act conflicts, the statement merely restates general  
20 rules of statutory construction. To the extent the  
21 statement means the act prevails over future  
22 enactments of the legislature that may conflict with  
23 the act, the statement is misleading in that one  
24 session of the legislature may not bind a future  
25 session of the legislature. Conflicts between the  
26 revised law (which is a local law) and other laws are  
27 governed by Section 311.026, Government Code (Code  
28 Construction Act). That section provides that if  
29 there is a conflict between a general provision of law  
30 and a special or local provision, the special or local  
31 provision prevails unless the general provision is the  
32 later enactment and the manifest intent is that the  
33 general provision prevail. The omitted law reads:

34 Sec. 18. This Act without reference  
35 to other statutes of the State of Texas,

1 shall constitute full authority for the  
2 authorization and issuance of bonds  
3 hereunder and no other Act or law with  
4 regard to the authorization or issuance of  
5 obligations or the deposit of the proceeds  
6 thereof, or in any way impeding or  
7 restricting the carrying out of the acts  
8 herein authorized to be done shall be  
9 construed as applying to any proceedings  
10 taken hereunder or acts done pursuant  
11 hereto.

12 [Sections 8505.005-8505.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

14 Revised Law

15 Sec. 8505.051. MEMBERSHIP OF BOARD. (a) The board consists  
16 of five directors appointed by the governor with the advice and  
17 consent of the senate.

18 (b) Each director must be a freehold property taxpayer in  
19 this state and a resident of the authority.

20 (c) A person is ineligible to be appointed as a director if,  
21 during the three years preceding the date of the appointment, the  
22 person has been employed by a utility company, including an  
23 electric power and light company, a gas company, or a telephone  
24 company. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 4(a) (part).)

25 Source Law

26 (a) . . . board of five directors . . . all of  
27 whom shall be residents of and freehold property  
28 taxpayers in the State of Texas and shall be residents  
29 of the District herein created, said five directors of  
30 the Board to be appointed by the Governor of the State  
31 of Texas and confirmed by the Senate of Texas. Provided  
32 that no person shall be eligible for such appointment  
33 if he has during the preceding three years before his  
34 appointment been employed by an electric power and  
35 light company, gas company, telephone company, or any  
36 other utility company of any kind or character  
37 whatsoever. . . .

38 Revisor's Note

39 (1) Section 4(a), Chapter 338, General Laws,  
40 Acts of the 44th Legislature, Regular Session, 1935,  
41 requires a director to be a resident of the State of  
42 Texas and of the authority. The revised law omits the  
43 reference to the State of Texas because a resident of  
44 the authority is necessarily a resident of the state.

45 (2) Section 4(a), Chapter 338, General Laws,

1 Acts of the 44th Legislature, Regular Session, 1935,  
2 provides that the directors appointed by the governor  
3 must be "confirmed by the Senate of Texas." The  
4 revised law substitutes the requirement that the  
5 directors be appointed "with the advice and consent of  
6 the senate" for the requirement that the directors be  
7 "confirmed by the Senate of Texas" because the phrases  
8 are synonymous and the former is more commonly used.

9 Revised Law

10 Sec. 8505.052. TERMS. Directors are appointed for  
11 staggered terms of six years with one or two directors' terms  
12 expiring on February 1 of each odd-numbered year. (Acts 44th Leg.,  
13 R.S., G.L., Ch. 338, Sec. 4(a) (part).)

14 Source Law

15 (a) . . . Directors are appointed for staggered  
16 terms of six years with one or two directors' terms  
17 expiring on February 1 of each odd-numbered  
18 year. . . .

19 Revisor's Note

20 (1) Section 4(a), Chapter 338, General Laws,  
21 Acts of the 44th Legislature, Regular Session, 1935,  
22 requires the governor to appoint another director when  
23 the term of a director expires. The revised law omits  
24 the provision because it duplicates in substance  
25 another provision of that subsection, revised in this  
26 chapter as Section 8505.051, which provides that the  
27 directors are appointed by the governor. The omitted  
28 law reads:

29 (a) . . . At the expiration of the  
30 term of any director, another director  
31 shall be appointed by the Governor. . . .

32 (2) Section 4(a), Chapter 338, General Laws,  
33 Acts of the 44th Legislature, Regular Session, 1935,  
34 requires the directors of the authority to continue to  
35 hold their offices until their successors are  
36 appointed and have qualified, unless they are sooner  
37 removed as provided by that act. The revised law omits

1 the provision requiring directors to continue to hold  
2 office until their successors are appointed and have  
3 qualified because Section 17, Article XVI, Texas  
4 Constitution, requires each officer in this state to  
5 continue to perform the officer's duties until a  
6 successor has qualified. The revised law omits the  
7 reference to removal because by implication a person  
8 who has been removed from an office may not continue  
9 serving in that office. The omitted law reads:

10 (a) . . . Each director shall hold  
11 office until the expiration of the term for  
12 which he was appointed and thereafter until  
13 his successor shall have been appointed and  
14 qualified, unless sooner removed as in this  
15 Act provided.

16 Revised Law

17 Sec. 8505.053. REMOVAL. A director may be removed by the  
18 governor for inefficiency, neglect of duty, or misconduct in  
19 office, after at least 10 days' written notice of the charge against  
20 the director and an opportunity to be heard in person or by counsel  
21 at a public hearing. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec.  
22 4(b) (part).)

23 Source Law

24 (b) Any director may be removed by the Authority  
25 which appointed him, for inefficiency, neglect of duty  
26 or misconduct in office, after at least ten days  
27 written notice of the charges against him and an  
28 opportunity to be heard in person or by counsel at  
29 public hearing. . . .

30 Revisor's Note

31 Section 4(b), Chapter 338, General Laws, Acts of  
32 the 44th Legislature, Regular Session, 1935, provides  
33 that a director may be removed by the "Authority which  
34 appointed him." The revised law substitutes a  
35 reference to the "governor" for the reference to the  
36 "Authority which appointed him" because under Sections  
37 4(a) and (b) of that act, revised in relevant part in  
38 this chapter as Sections 8505.051 and 8505.054, the  
39 directors of the authority are appointed by the

1 governor.

2 Revised Law

3 Sec. 8505.054. VACANCY. A vacancy on the board shall be  
4 filled by the governor for the unexpired term. (Acts 44th Leg.,  
5 R.S., G.L., Ch. 338, Sec. 4(b) (part).)

6 Source Law

7 (b) . . . A vacancy resulting from the death,  
8 resignation or removal of any director shall be filled  
9 by the Authority which appointed him, for the  
10 unexpired term of such director. . . .

11 Revisor's Note

12 (1) Section 4(b), Chapter 338, General Laws,  
13 Acts of the 44th Legislature, Regular Session, 1935,  
14 refers to a vacancy "resulting from the death,  
15 resignation or removal of any director." The revised  
16 law omits the quoted language because it describes  
17 every manner in which a vacancy may occur without  
18 limiting in any way the governor's duty to fill a  
19 vacancy.

20 (2) Section 4(b), Chapter 338, General Laws,  
21 Acts of the 44th Legislature, Regular Session, 1935,  
22 provides that a vacancy in the office of director shall  
23 be filled by the "Authority which appointed him" for  
24 the unexpired term. The revised law substitutes a  
25 reference to the "governor" for the reference to the  
26 "Authority which appointed him" for the reason stated  
27 in the revisor's note to Section 8505.053.

28 Revised Law

29 Sec. 8505.055. COMPENSATION OF DIRECTORS. Unless the board  
30 by resolution increases the fee to an amount authorized by Section  
31 49.060, Water Code, each director shall receive a fee of \$10 per day  
32 for each day spent in attending meetings of the board. (Acts 44th  
33 Leg., R.S., G.L., Ch. 338, Sec. 4(b) (part); New.)

34 Source Law

35 (b) . . . Each director shall receive a fee of  
36 Ten (\$10.00) Dollars per day for each day spent in  
37 attending meetings of the Board.

1 Revisor's Note

2 Section 4(b), Chapter 338, General Laws, Acts of  
3 the 44th Legislature, Regular Session, 1935, provides  
4 for directors to receive a fee of \$10 per day for each  
5 day spent in attending meetings of the board. Section  
6 49.060, Water Code, enacted in 1995 and applicable by  
7 its own terms to the authority, authorizes higher  
8 fees. Section 49.060(e), however, provides that if  
9 the amount of the fee set by Section 49.060 would  
10 result in a fee increase, the increase does not apply  
11 to a district unless the district's board by resolution  
12 adopts a higher fee. Accordingly, the revised law adds  
13 a reference to the board's authority to increase the  
14 fee under Section 49.060, Water Code.

15 Revised Law

16 Sec. 8505.056. VOTING REQUIREMENT. (a) Except as provided  
17 by this chapter or the bylaws, action may be taken by the  
18 affirmative vote of a majority of the directors present at a  
19 meeting.

20 (b) The following are valid only if authorized or ratified  
21 by the affirmative vote of at least a majority of the entire  
22 membership of the board:

23 (1) a contract that involves an amount greater than  
24 \$10,000 or has a duration of more than one year;

25 (2) a bond, note, or other evidence of indebtedness;  
26 or

27 (3) an amendment of the bylaws. (Acts 44th Leg., R.S.,  
28 G.L., Ch. 338, Sec. 4(c) (part).)

29 Source Law

30 (c) . . . except as otherwise provided in this  
31 Act, or in the by-laws, all actions may be taken by the  
32 affirmative vote of a majority of the directors  
33 present at any such meeting, except that no contract  
34 which involves an amount greater than Ten Thousand  
35 (\$10,000.00) Dollars, or which is to run for a longer  
36 period than a year, and no bonds, notes or other  
37 evidence of indebtedness and no amendment of the  
38 by-laws shall be valid unless authorized or ratified  
39 by the affirmative vote of at least a majority of the

1 entire membership of the Board.

2 Revisor's Note

3 Section 4(c), Chapter 338, General Laws, Acts of  
4 the 44th Legislature, Regular Session, 1935, provides  
5 that a majority of the membership of the board  
6 constitutes a quorum. The revised law omits that  
7 provision because it duplicates in substance Section  
8 311.013, Government Code (Code Construction Act),  
9 which provides that a quorum of a public body is a  
10 majority of the number of members fixed by statute.

11 The omitted law reads:

12 (c) . . . A majority of the  
13 membership of the Board constitutes a  
14 quorum at any meeting, and, . . . .

15 Revised Law

16 Sec. 8505.057. OFFICERS AND EMPLOYEES. (a) The board shall  
17 select a secretary, a general manager, and a treasurer. The  
18 treasurer may also hold the office of secretary.

19 (b) The secretary shall keep accurate and complete records  
20 of all proceedings of the board.

21 (c) Until the board selects a secretary, or if the secretary  
22 is absent or unable to act, the board shall select a secretary pro  
23 tem.

24 (d) The general manager is the chief executive officer of  
25 the authority.

26 (e) The secretary, secretary pro tem, general manager, and  
27 treasurer have the powers and duties, hold office for the term, and  
28 are subject to removal in the manner provided by the bylaws.

29 (f) The board shall set the compensation of the secretary,  
30 secretary pro tem, general manager, and treasurer.

31 (g) The board may appoint other officers, agents, and  
32 employees, set their compensation and term of office, prescribe  
33 their duties and the method by which they may be removed, and  
34 delegate to them any of its powers and duties as it considers  
35 proper. (Acts 44th Leg., R.S., G.L., Ch. 338, Secs. 2 (part), 5.)



1 (b) The bond must be in a form and amount and with a surety  
2 approved by the board, and the surety on the bond must be a surety  
3 company authorized to do business in this state.

4 (c) The authority shall pay the premium on the bond and  
5 charge the premium as an operating expense. (Acts 44th Leg., R.S.,  
6 G.L., Ch. 338, Sec. 6 (part).)

7 Source Law

8 Sec. 6. . . . The General Manager, the  
9 Treasurer and all other officers, agents and employees  
10 of the District who shall be charged with the  
11 collection, custody or payment of any funds of the  
12 District shall give bond conditioned upon the faithful  
13 performance of their duties and an accounting for all  
14 funds and property of the District coming into their  
15 respective hands, each of which bonds shall be in form  
16 and amount and with a surety (which shall be a surety  
17 company authorized to do business in the State of  
18 Texas) approved by the Board, and the premiums on such  
19 bonds shall be paid by the District and charged as an  
20 operating expense.

21 Revisor's Note

22 (1) Section 6, Chapter 338, General Laws, Acts  
23 of the 44th Legislature, Regular Session, 1935, refers  
24 to the authority's "funds." The revised law  
25 substitutes "money" for "funds" because, in the  
26 context of authority funds, the meaning is the same and  
27 "money" is the more commonly used term.

28 (2) Section 6, Chapter 338, General Laws, Acts  
29 of the 44th Legislature, Regular Session, 1935, refers  
30 to money and property of the authority in the "hands"  
31 of certain persons. The revised law substitutes  
32 "possession" for "hands" because the terms are  
33 synonymous in context and "possession" is more  
34 consistent with modern usage.

35 Revised Law

36 Sec. 8505.059. AUTHORITY'S DOMICILE AND OFFICE. (a) The  
37 authority's domicile is in the city of Coleman, Coleman County.

38 (b) The authority shall maintain its principal office in the  
39 city of Coleman, Coleman County.

40 (c) The general manager is in charge of the authority's

1 principal office. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 7  
2 (part).)

3 Source Law

4 Sec. 7. The domicile of the District shall be in  
5 the City of Coleman, County of Coleman, where the  
6 District shall maintain its principal office, in  
7 charge of its General Manager. . . .

8 Revised Law

9 Sec. 8505.060. CONFLICT OF INTEREST; CRIMINAL PENALTY. (a)  
10 A director, officer, agent, or employee of the authority may not be  
11 directly or indirectly interested in a contract for the purchase of  
12 any property or construction of any work by or for the authority.

13 (b) A person commits an offense if the person violates this  
14 section. An offense under this subsection is a felony punishable  
15 by:

- 16 (1) a fine not to exceed \$10,000;  
17 (2) confinement in the county jail for not less than  
18 one year or more than 10 years; or  
19 (3) both the fine and confinement. (Acts 44th Leg.,  
20 R.S., G.L., Ch. 338, Sec. 8.)

21 Source Law

22 Sec. 8. No director, officer, agent or employee  
23 of the District shall be directly or indirectly  
24 interested in any contract for the purchase of any  
25 property or construction of any work by or for the  
26 District, and if any such person shall be or become so  
27 interested in any such contract, he shall be guilty of  
28 a felony and on conviction thereof shall be subject to  
29 a fine in an amount not exceeding Ten Thousand  
30 (\$10,000.00) Dollars, or to confinement in the county  
31 jail for not less than one year nor more than ten  
32 years, or both.

33 Revisor's Note  
34 (End of Subchapter)

35 (1) Section 4(a), Chapter 338, General Laws,  
36 Acts of the 44th Legislature, Regular Session, 1935,  
37 provides that the powers, rights, privileges, and  
38 functions of the authority are exercised by a board of  
39 directors. The revised law omits that provision  
40 because it duplicates, in substance, parts of Sections  
41 49.051 and 49.057, Water Code. Throughout this

1 chapter, the revised law omits law that is superseded  
2 by Chapter 49, Water Code, or that duplicates law  
3 contained in that chapter. Except as otherwise  
4 provided by that chapter, Chapter 49, Water Code,  
5 applies to the authority under Sections 49.001 and  
6 49.002, Water Code. The omitted law reads:

7           Sec. 4. (a) The powers, rights,  
8           privileges and functions of the District  
9           shall be exercised by [a board of . . .  
10           directors] . . . .

11           (2) Section 4(b), Chapter 338, General Laws,  
12 Acts of the 44th Legislature, Regular Session, 1935,  
13 requires each director to take the "official oath of  
14 office prescribed by general statute." At the time  
15 Chapter 338 was enacted, Article 16, Revised Statutes,  
16 required each officer in this state to "take and  
17 subscribe the oath prescribed by Article 16, Section  
18 1, of the Constitution of this State." In 1993,  
19 Article 16, Revised Statutes, was codified in part as  
20 Section 604.001, Government Code. The portion of  
21 Article 16 requiring an officer to take the oath of  
22 office was omitted from the revised law because under  
23 Section 1, Article XVI, Texas Constitution, all  
24 officers are required to take the oath (or  
25 affirmation) before assuming office. No other  
26 applicable general law requires a director of the  
27 authority to take an oath of office. Accordingly, the  
28 revised law omits the provision. The omitted law  
29 reads:

30           (b). . . Each director shall qualify  
31           by taking the official oath of office  
32           prescribed by general statute. . . .

33           (3) Section 4(c), Chapter 338, General Laws,  
34 Acts of the 44th Legislature, Regular Session, 1935,  
35 provides that until the adoption of bylaws setting the  
36 time and place of regular meetings and the manner in  
37 which special meetings may be called, meetings of the

1 board shall be held at the times and places designated  
2 in writing by a majority of the directors. The board  
3 has adopted bylaws addressing the specified matters.  
4 Accordingly, the revised law omits the provision as  
5 executed. The omitted law reads:

6 (c) Until the adoption of by-laws  
7 fixing the time and place of regular  
8 meetings and the manner in which special  
9 meetings may be called, meetings of the  
10 Board shall be held at such times and places  
11 as a majority of all the directors may  
12 designate in writing. . . .

13 (4) Section 14, Article IV, Chapter 484, Acts of  
14 the 68th Legislature, Regular Session, 1983, refers to  
15 transition procedures regarding the terms of certain  
16 directors. The revised law omits that provision as  
17 executed. The omitted law reads:

18 Sec. 14. (a) A person appointed to  
19 the board of directors of the Central  
20 Colorado River Authority who held office  
21 immediately preceding the effective date of  
22 this Act and who was eligible to be a member  
23 of the board under the law as it existed at  
24 the time of his appointment is entitled to  
25 serve the remainder of the term for which he  
26 was appointed.

27 (b) The term of office succeeding a  
28 board member's term that expires on January  
29 1, 1985, expires on February 1, 1991. The  
30 term of office succeeding a board member's  
31 term that expires on January 1, 1987,  
32 expires on February 1, 1993. The term of  
33 office succeeding a board member's term that  
34 expires on January 1, 1989, expires on  
35 February 1, 1995.

36 (5) Section 1, Chapter 493, Acts of the 81st  
37 Legislature, Regular Session, 2009, amended Section 4,  
38 Chapter 338, General Laws, Acts of the 44th  
39 Legislature, Regular Session, 1935, to reduce the  
40 number of directors serving on the board from nine to  
41 five. Sections 3 and 4 of Chapter 493 provide  
42 transition procedures for changing the number of  
43 directors serving on the board. In addition, Section  
44 3(a) of Chapter 493 provides that, except as provided  
45 by Section 4 of that act, members appointed to fill  
46 vacancies occurring on or after the effective date of

1 that act must be appointed in accordance with Section 4  
2 of Chapter 338, as amended by that act, and Section  
3 4(f) of Chapter 493 provides that a member appointed on  
4 or after February 1, 2017, shall be appointed to a term  
5 as provided by Section 4 of Chapter 338, as amended by  
6 that act. The revised law omits the transition  
7 procedures for changing the number of directors  
8 serving on the board as executed. In addition, the  
9 revised law omits the provisions requiring that  
10 members of the board be appointed in accordance with  
11 and to a term provided by Section 4 of Chapter 338, as  
12 amended, because the relevant provisions of that  
13 section are revised in this chapter as Sections  
14 8505.051 and 8505.052, and those sections apply by  
15 their own terms to the appointment and terms of  
16 directors. The omitted law reads:

17 Sec. 3. (a) The change in law made by  
18 this Act does not affect the term of a  
19 member of the board of directors of the  
20 Central Colorado River Authority serving on  
21 the effective date of this Act. Except as  
22 provided by Section 4 of this Act, members  
23 appointed to fill vacancies occurring on or  
24 after the effective date of this Act must be  
25 appointed in accordance with Section 4,  
26 Chapter 338, General Laws, Acts of the 44th  
27 Legislature, Regular Session, 1935, as  
28 amended by this Act.

29 (b) The change in law made by this Act  
30 does not prohibit a person who is a member  
31 of the Central Colorado River Authority  
32 board of directors before the effective  
33 date of this Act from being appointed as a  
34 member of the board of directors under the  
35 new composition of the board of directors if  
36 the person is otherwise qualified.

37 Sec. 4. (a) In this section,  
38 "board" means the board of directors of the  
39 Central Colorado River Authority.

40 (b) To maintain a board with an odd  
41 number of directors during the transition  
42 from a board of nine to a board of five  
43 directors, the governor shall make  
44 appointments to the board as provided by  
45 Subsections (c) through (f) of this  
46 section.

47 (c) When the terms of members of the  
48 board expire on February 1, 2009, the  
49 governor shall appoint one director whose  
50 term expires February 1, 2015.

51 (d) When the terms of members of the  
52 board expire on February 1, 2011, the

1 governor shall appoint one director whose  
2 term expires February 1, 2017.

3 (e) When the terms of members of the  
4 board expire on February 1, 2013, the  
5 governor shall appoint:

6 (1) one director whose term  
7 expires February 1, 2015;

8 (2) one director whose term  
9 expires February 1, 2017; and

10 (3) one director whose term  
11 expires February 1, 2019.

12 (f) A member of the board appointed  
13 on or after February 1, 2017, shall be  
14 appointed to a term as provided by Section  
15 4, Chapter 338, General Laws, Acts of the  
16 44th Legislature, Regular Session, 1935, as  
17 amended by this Act.

18 [Sections 8505.061-8505.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Revised Law

21 Sec. 8505.101. GENERAL POWERS. (a) The authority has:

22 (1) the powers of government and the authority to  
23 exercise the rights, privileges, and functions specified by this  
24 chapter; and

25 (2) all powers, rights, privileges, and functions  
26 conferred by general law on any district created under Section 59,  
27 Article XVI, Texas Constitution, except as expressly limited by  
28 this chapter.

29 (b) The authority may perform any act necessary or  
30 convenient to the exercise of the powers, rights, privileges, or  
31 functions conferred on the authority by this chapter or any other  
32 law. (Acts 44th Leg., R.S., G.L., Ch. 338, Secs. 1 (part), 2  
33 (part).)

34 Source Law

35 Sec. 1. . . . [Such District] . . . with the  
36 power of government and with the authority to exercise  
37 the rights, privileges and functions hereinafter  
38 specified, . . . .

39 Sec. 2. Except as expressly limited by this Act,  
40 the District shall have and is hereby authorized to  
41 exercise all power, rights, privileges and functions  
42 conferred by General Law upon any District or  
43 Districts created pursuant to Section 59 of Article 16  
44 of the Constitution of the State of Texas. Without  
45 limitation of the generality of the foregoing, the  
46 District shall have and is hereby authorized to  
47 exercise the following powers, rights, privileges and  
48 functions:

49 . . .  
50 (p) to do any and all other acts or things  
51 necessary or convenient to the exercise of the powers,

1 rights, privileges or functions conferred upon it by  
2 this Act or any other Act or law;

3 . . .

4 Revisor's Note

5 Section 2, Chapter 338, General Laws, Acts of the  
6 44th Legislature, Regular Session, 1935, provides that  
7 the authority "shall have and is hereby authorized to  
8 exercise" certain powers, rights, privileges, and  
9 functions. Throughout this chapter, the revised law  
10 substitutes "has" or "may" for the quoted language  
11 because, in context, the language is synonymous, and  
12 "has" and "may" are more commonly used.

13 Revised Law

14 Sec. 8505.102. POWERS RELATED TO WATER OF COLORADO RIVER  
15 AND ITS TRIBUTARIES. Inside the boundaries of the authority, the  
16 authority may:

17 (1) control, store, and preserve the water of the  
18 Colorado River and its tributaries for any useful purpose; and

19 (2) use, distribute, and sell the water described by  
20 Subdivision (1) for any useful purpose. (Acts 44th Leg., R.S.,  
21 G.L., Ch. 338, Sec. 2 (part).)

22 Source Law

23 Sec. 2. . . . Without limitation of the  
24 generality of the foregoing, the District shall have  
25 and is hereby authorized to exercise the following  
26 powers, rights, privileges and functions:

27 (a) to control, store and preserve, within the  
28 boundaries of the District, the waters of the Colorado  
29 River and its tributaries for any useful purpose, and  
30 to use, distribute and sell the same, within the  
31 boundaries of the District for any such purposes;

32 . . .

33 Revised Law

34 Sec. 8505.103. DEVELOPMENT, GENERATION, DISTRIBUTION, AND  
35 SALE OF WATER POWER AND ELECTRIC ENERGY. (a) The authority may:

36 (1) develop and generate water power and electric  
37 energy inside the boundaries of the authority; and

38 (2) distribute and sell water power and electric  
39 energy inside or outside the boundaries of the authority.

40 (b) A use authorized by this section is subordinate and

1 inferior to a domestic, municipal, or irrigation requirement.  
2 (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 2 (part).)

3 Source Law

4 Sec. 2. . . . Without limitation of the  
5 generality of the foregoing, the District shall have  
6 and is hereby authorized to exercise the following  
7 powers, rights, privileges and functions:

8 . . .  
9 (b) to develop and generate water power and  
10 electric energy within the boundaries of the District  
11 and to distribute and sell water power and electric  
12 energy, within or without the boundaries of the  
13 District; but such use shall be subordinate and  
14 inferior to all requirements for domestic, municipal  
15 and irrigation;  
16 . . .

17 Revised Law

18 Sec. 8505.104. PREVENTION OF DAMAGE TO PERSONS OR PROPERTY.

19 The authority may prevent or aid in the prevention of damage to  
20 persons or property from the water of the Colorado River and its  
21 tributaries. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 2 (part).)

22 Source Law

23 Sec. 2. . . . Without limitation of the  
24 generality of the foregoing, the District shall have  
25 and is hereby authorized to exercise the following  
26 powers, rights, privileges and functions:

27 . . .  
28 (c) to prevent or aid in the prevention of  
29 damage to person or property from the waters of the  
30 Colorado River and its tributaries;  
31 . . .

32 Revised Law

33 Sec. 8505.105. FORESTATION AND REFORESTATION; PREVENTION

34 OF SOIL EROSION AND FLOODS. In the watershed of the Colorado River  
35 and its tributaries, the authority may:

36 (1) forest, reforest, or aid in foresting or  
37 reforesting; and

38 (2) prevent or aid in the prevention of soil erosion  
39 and floods. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 2 (part).)

40 Source Law

41 Sec. 2. . . . Without limitation of the  
42 generality of the foregoing, the District shall have  
43 and is hereby authorized to exercise the following  
44 powers, rights, privileges and functions:

45 . . .  
46 (d) to forest and reforest and to aid in the  
47 foresting and reforesting of the watershed area of the  
48 Colorado River and its tributaries and to prevent and

1 to aid in the prevention of soil erosion and floods  
2 within said watershed area;

3 . . .

4 Revisor's Note

5 Section 2(d), Chapter 338, General Laws, Acts of  
6 the 44th Legislature, Regular Session, 1935, refers to  
7 "the watershed area of the Colorado River and its  
8 tributaries." The revised law omits the reference to  
9 "area" because, in context, "area" is included in the  
10 meaning of "watershed."

11 Revised Law

12 Sec. 8505.106. AUTHORITY PROPERTY; EMINENT DOMAIN. (a)  
13 The authority may acquire, maintain, use, and operate property of  
14 any kind or any interest in property, inside or outside the  
15 boundaries of the authority, necessary or convenient to the  
16 exercise of the powers, rights, privileges, and functions conferred  
17 on the authority by this chapter.

18 (b) Except as provided by Subsection (d), the authority may  
19 acquire property or an interest in property as provided by  
20 Subsection (a) by purchase, lease, gift, exercise of the power of  
21 eminent domain, or any other manner.

22 (c) The authority may acquire property or an interest in  
23 property by exercise of the power of eminent domain in the manner  
24 provided by:

25 (1) Chapter 21, Property Code; or

26 (2) the statutes relating to condemnation by districts  
27 organized under general law under Section 59, Article XVI, Texas  
28 Constitution.

29 (d) The authority may not exercise the power of eminent  
30 domain to acquire property or an interest in property that is  
31 located outside the boundaries of the authority. (Acts 44th Leg.,  
32 R.S., G.L., Ch. 338, Sec. 2 (part).)

33 Source Law

34 Sec. 2. . . . Without limitation of the  
35 generality of the foregoing, the District shall have  
36 and is hereby authorized to exercise the following  
37 powers, rights, privileges and functions:

38 . . .

1 (e) to acquire by purchase, lease, gift or in  
2 any other manner (otherwise than by condemnation) and  
3 to maintain, use and operate any and all property of  
4 any kind, real, personal or mixed, or any interest  
5 therein, within or without the boundaries of the  
6 District, necessary or convenient to the exercise of  
7 the powers, rights, privileges and functions conferred  
8 upon it by this Act;

9 (f) to acquire by condemnation any and all  
10 property of any kind, real, personal, or mixed, or any  
11 interest therein, within the boundaries of the  
12 District necessary or convenient to the exercise of  
13 the powers, rights, privileges and functions conferred  
14 upon it by this Act, in the manner provided by General  
15 Law with respect to condemnation or, at the option of  
16 the District, in the manner provided by the statutes  
17 relative to condemnation by Districts organized under  
18 General Law pursuant to Section 59 of Article 16 of the  
19 Constitution of the State of Texas;

20 . . .

21 Revisor's Note

22 (1) Sections 2(e) and (f), Chapter 338, General  
23 Laws, Acts of the 44th Legislature, Regular Session,  
24 1935, refer to "property of any kind, real, personal,  
25 or mixed." Throughout this chapter, the revised law  
26 omits references to "real, personal, or mixed"  
27 property because under Section 311.005(4), Government  
28 Code (Code Construction Act), "property" includes both  
29 real and personal property, and "mixed" property is  
30 property consisting of both real and personal  
31 property.

32 (2) Section 2(f), Chapter 338, General Laws,  
33 Acts of the 44th Legislature, Regular Session, 1935,  
34 authorizes the authority to acquire "by condemnation"  
35 property or an interest in property. The revised law  
36 authorizes the authority to acquire property or an  
37 interest in property "by . . . exercise of the power of  
38 eminent domain" because the phrases have the same  
39 meaning and the latter phrase is consistent with  
40 modern usage in laws relating to eminent domain.

41 (3) Section 2(f), Chapter 338, General Laws,  
42 Acts of the 44th Legislature, Regular Session, 1935,  
43 authorizes the authority to acquire by condemnation  
44 property or an interest in property in the manner

1 provided by "General Law with respect to  
2 condemnation." The revised law substitutes for the  
3 quoted language a reference to Chapter 21, Property  
4 Code, because that is the general law governing  
5 eminent domain for governmental entities.

6 Revised Law

7 Sec. 8505.107. SALE, LEASE, MORTGAGE, OR OTHER DISPOSITION  
8 OF AUTHORITY PROPERTY. (a) The authority may not:

9 (1) mortgage or otherwise encumber authority property  
10 of any kind, or any interest in authority property; or

11 (2) acquire any property or interest in property  
12 subject to a mortgage or conditional sale.

13 (b) Subsection (a) does not prevent pledging authority  
14 revenue as authorized by this chapter.

15 (c) This chapter does not authorize the sale, lease, or  
16 other disposition of authority property of any kind, or an interest  
17 in authority property, by the authority, by a receiver of any  
18 authority property, through a court proceeding, or otherwise.

19 (d) Notwithstanding Subsection (c), the authority may sell  
20 for cash authority property of any kind, or an interest in authority  
21 property, if:

22 (1) the board, by the affirmative vote of a two-thirds  
23 majority of the entire membership of the board, determines that the  
24 property or interest is not necessary or convenient to the business  
25 of the authority and approves the terms of the sale; and

26 (2) the aggregate value of the properties or interests  
27 sold in any year does not exceed \$50,000.

28 (e) It is the intent of the legislature that, except by sale  
29 as expressly authorized by this section, authority property or an  
30 interest in authority property, except personal property, never  
31 come into the ownership or control, directly or indirectly, of any  
32 person other than a public authority created under the laws of this  
33 state.

34 (f) Authority property, except personal property, is exempt

1 from forced sale. The sale of authority property, except personal  
2 property, under a judgment rendered in a suit is prohibited. (Acts  
3 44th Leg., R.S., G.L., Ch. 338, Secs. 2 (part), 15.)

4 Source Law

5 Sec. 2. . . . Without limitation of the  
6 generality of the foregoing, the District shall have  
7 and is hereby authorized to exercise the following  
8 powers, rights, privileges and functions:

9  
10 (g) subject to the provisions of this Act from  
11 time to time sell or otherwise dispose of any property  
12 of any kind, real, personal or mixed, or any interest  
13 therein, which shall not be necessary to the carrying  
14 on of the business of the District;

15 . . .

16 Sec. 15. Nothing in this Act shall be construed  
17 as authorizing the District, and it shall not be  
18 authorized to mortgage or otherwise encumber any of  
19 its property of any kind, real, personal or mixed, or  
20 any interest thereon, or to acquire any such property  
21 or interest subject to a mortgage or conditional sale,  
22 provided that this section shall not be construed as  
23 preventing the pledging of the revenues of the  
24 District as herein authorized. Nothing in this Act  
25 shall be construed as authorizing the sale, lease or  
26 other disposition of any such property or interest by  
27 the District, or any receiver of any of its properties  
28 or through any court proceeding or otherwise,  
29 provided, however, that the District may sell for cash  
30 any such property or interest in an aggregate value not  
31 exceeding the sum of Fifty Thousand (\$50,000.00)  
32 Dollars, in any one year if the Board, by the  
33 affirmative vote of a two-thirds majority of the  
34 entire membership of the Board shall have determined  
35 that the same is not necessary or convenient to the  
36 business of the District and shall have approved the  
37 terms of any such sale, it being the intention of this  
38 Act that except by sale as in this section expressly  
39 authorized, no such property or interest except  
40 personal property shall ever come into the ownership  
41 or control, directly or indirectly, of any person,  
42 firm or corporation other than a public authority  
43 created under the laws of the State of Texas. All  
44 property of the District except personal property  
45 shall be at all times exempted from forced sale, and  
46 nothing in this Act contained shall authorize the sale  
47 of any of the property of the District except personal  
48 property under any judgment rendered in any suit, and  
49 such sales are hereby prohibited and forbidden.

50 Revisor's Note

51 (1) Section 2(g), Chapter 338, General Laws,  
52 Acts of the 44th Legislature, Regular Session, 1935,  
53 provides that, subject to the other provisions of the  
54 act, the authority may "from time to time sell or  
55 otherwise dispose of" property or an interest in  
56 property that is not necessary to the carrying on of

1 the business of the authority. The revised law omits  
2 the reference to "from time to time" because the power  
3 to take an action implies the power to do so at any  
4 time. The revised law omits the reference to  
5 "otherwise dispos[ing] of" property because Section 15  
6 of the act, revised in this section, prohibits the  
7 authority from selling, leasing, or otherwise  
8 disposing of property except by means of a sale for  
9 cash.

10 (2) Section 15, Chapter 338, General Laws, Acts  
11 of the 44th Legislature, Regular Session, 1935, refers  
12 to the transfer of ownership or control of certain  
13 property to a person, "firm or corporation." The  
14 revised law omits the quoted language because under  
15 Section 311.005(2), Government Code (Code  
16 Construction Act), "person" is defined to include any  
17 legal entity.

18 (3) Section 15, Chapter 338, General Laws, Acts  
19 of the 44th Legislature, Regular Session, 1935,  
20 provides that certain property sales are "prohibited  
21 and forbidden." The revised law omits "forbidden"  
22 because it is included within the meaning of  
23 "prohibited."

#### 24 Revised Law

25 Sec. 8505.108. OVERFLOW OR INUNDATION OF PUBLIC PROPERTY;  
26 RELOCATION OF ROADS. The authority may overflow and inundate any  
27 public land or public property and require the relocation of a road  
28 or highway in the manner and to the extent permitted to a district  
29 organized under general law under Section 59, Article XVI, Texas  
30 Constitution. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 2 (part).)

#### 31 Source Law

32 Sec. 2. . . . Without limitation of the  
33 generality of the foregoing, the District shall have  
34 and is hereby authorized to exercise the following  
35 powers, rights, privileges and functions:

36 . . .  
37 (h) to overflow and inundate any public lands

1 and public property and to require the relocation of  
2 roads and highways in the manner and to the extent  
3 permitted to Districts organized under General Law  
4 pursuant to Section 59 of Article 16 of the  
5 Constitution of the State of Texas;  
6 . . .

7 Revised Law

8 Sec. 8505.109. CONSTRUCTION, MAINTENANCE, AND OPERATION OF  
9 FACILITIES. The authority may construct, extend, improve,  
10 maintain, and reconstruct, cause to be constructed, extended,  
11 improved, maintained, and reconstructed, and use and operate  
12 facilities of any kind necessary or convenient to the exercise of  
13 the authority's powers, rights, privileges, and functions. (Acts  
14 44th Leg., R.S., G.L., Ch. 338, Sec. 2 (part).)

15 Source Law

16 Sec. 2. . . . Without limitation of the  
17 generality of the foregoing, the District shall have  
18 and is hereby authorized to exercise the following  
19 powers, rights, privileges and functions:

20 . . .  
21 (i) to construct, extend, improve, maintain and  
22 reconstruct, to cause to be constructed, extended,  
23 improved, maintained and reconstructed, and to use and  
24 operate, any and all facilities of any kind necessary  
25 or convenient to the exercise of such powers, rights,  
26 privileges and functions;  
27 . . .

28 Revised Law

29 Sec. 8505.110. SEAL. The authority may adopt and use a  
30 corporate seal. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 2  
31 (part).)

32 Source Law

33 Sec. 2. . . . Without limitation of the  
34 generality of the foregoing, the District shall have  
35 and is hereby authorized to exercise the following  
36 powers, rights, privileges and functions:

37 . . .  
38 (1) to adopt, use and alter a corporate seal;  
39 . . .

40 Revisor's Note

41 Section 2(1), Chapter 338, General Laws, Acts of  
42 the 44th Legislature, Regular Session, 1935, states  
43 that the authority may adopt, use, and alter a  
44 corporate seal. The revised law omits "alter" because  
45 the power to adopt a seal includes the power to alter  
46 it.

1 Revised Law

2 Sec. 8505.111. GENERAL CONTRACT POWERS. The authority may  
3 make a contract or execute an instrument necessary or convenient to  
4 the exercise of the powers, rights, privileges, and functions  
5 conferred on the authority by this chapter. (Acts 44th Leg., R.S.,  
6 G.L., Ch. 338, Sec. 2 (part).)

7 Source Law

8 Sec. 2. . . . Without limitation of the  
9 generality of the foregoing, the District shall have  
10 and is hereby authorized to exercise the following  
11 powers, rights, privileges and functions:

12 . . .  
13 (n) to make contracts and to execute instruments  
14 necessary or convenient to the exercise of the powers,  
15 rights, privileges and functions conferred upon it by  
16 this Act;

17 . . .

18 Revised Law

19 Sec. 8505.112. CONTRACTS RELATING TO WATER OR SOIL  
20 CONSERVATION PROJECTS. (a) The authority may enter into a contract  
21 with an individual, firm, association, or corporation for the  
22 construction of a water or soil conservation project on property  
23 owned or controlled by the individual, firm, association, or  
24 corporation and use machinery, equipment, or facilities owned or  
25 controlled by the authority.

26 (b) The authority may enter into a contract with the  
27 governing board of a governmental agency inside or outside the  
28 boundaries of the authority for the purpose of supervising the  
29 construction of a water or soil conservation project on property  
30 located in the control or in the limits of the governmental agency.

31 (c) An individual, firm, association, corporation, or  
32 governmental agency that enters into a contract with the authority  
33 under this section shall pay a reasonable charge therefor.

34 (d) The authority is not liable for damages to any person or  
35 property in connection with, or for maintenance or upkeep of, a  
36 project contracted for and constructed under this section. (Acts  
37 44th Leg., R.S., G.L., Ch. 338, Secs. 13A, 13-b.)

38 Source Law

39 Sec. 13A. The District may enter into contracts

1 with individuals, firms, associations or corporations  
2 for the construction of water and/or soil conservation  
3 projects upon property owned or controlled by such  
4 individuals, firms, associations or corporations and  
5 use machinery, equipment or facilities owned or  
6 controlled by the said District. Provided such  
7 individual, association, firm or corporation shall pay  
8 a reasonable charge therefor, and provided further,  
9 that the District shall not be liable for damages to  
10 any person or property, nor shall be liable for  
11 maintenance or upkeep of such projects so contracted  
12 and constructed.

13 Sec. 13-b: The District may enter into contracts  
14 with the governing boards of duly constituted  
15 governmental agencies within or without the boundaries  
16 of the District for the purpose of supervising the  
17 construction of water and/or soil conservation  
18 projects upon property located within the control or  
19 within the limits of such other governmental agencies;  
20 providing that such other governmental agencies shall  
21 pay to the District a reasonable charge therefor, and  
22 provided further that the District shall not be liable  
23 for damages to any person or property, nor shall be  
24 liable for maintenance or upkeep of such projects so  
25 contracted and constructed.

26 Revisor's Note

27 Section 13-b, Chapter 338, General Laws, Acts of  
28 the 44th Legislature, Regular Session, 1935, refers to  
29 "duly constituted" governmental agencies. The revised  
30 law omits "duly constituted" as unnecessary. A  
31 governmental agency is not an agency if it is not duly  
32 constituted.

33 Revised Law

34 Sec. 8505.113. ADDITIONAL POWERS RELATING TO CONTRACTS,  
35 RULES, AND REGULATIONS. The authority may enter into and carry out  
36 contracts or establish or comply with rules and regulations  
37 concerning labor and materials and other related matters in  
38 connection with any project the authority considers desirable or as  
39 requested by the United States, or any corporation or agency  
40 created, designated, or established by the United States, that may  
41 assist in the financing of the project. (Acts 44th Leg., R.S.,  
42 G.L., Ch. 338, Sec. 13.)

43 Source Law

44 Sec. 13. The District may, but without  
45 intending by this provision to limit any powers of the  
46 District as granted to it by this Act, enter into and  
47 carry out such contracts, or establish or comply with  
48 such rules and regulations concerning labor and  
49 materials and other related matters in connection with  
50 any project or projects as the District may deem

1 desirable or as may be requested by the United States  
2 of America, or any corporation or agency created,  
3 designated or established thereby, which may assist in  
4 the financing of any such project or projects.

5 Revised Law

6 Sec. 8505.114. LIMITATIONS ON POWERS OF AUTHORITY. (a) The  
7 authority may not use water for irrigation purposes under any law or  
8 any permit that was issued before May 21, 1935, was held, owned, or  
9 enjoyed by the authority as of that date, or is acquired from  
10 another person after that date unless expressly authorized by a  
11 subsequent permit granted to the authority by the commission or a  
12 predecessor agency under authority of law. In considering permit  
13 applications by the authority, the commission shall at all times  
14 consider the needs of the people living in the watershed of the  
15 Colorado River and its tributaries above the authority. This  
16 subsection does not prevent the authority from selling, for  
17 irrigation purposes and in the boundaries of the authority, any  
18 water impounded by it under authority of law.

19 (b) Notwithstanding any right or permit to use the water of  
20 the Colorado River and its tributaries for the generation of  
21 hydroelectric power that was issued by the former State Board of  
22 Water Engineers, was in existence as of May 21, 1935, and is  
23 acquired by the authority, the impounding and use of the  
24 floodwaters of the Colorado River and its tributaries for the  
25 generation of hydroelectric power by the authority or a person who  
26 succeeds to the rights and privileges conferred on the authority by  
27 this chapter are subject to the rights of any other person who  
28 before May 21, 1935, was impounding or as of that date was putting  
29 to beneficial use any water for the purposes described by Sections  
30 11.024(1) and (2), Water Code, if the person:

31 (1) before May 21, 1935, received a permit for that use  
32 from the former State Board of Water Engineers; or

33 (2) by law was permitted before May 21, 1935, to  
34 impound water for those purposes.

35 (c) This chapter may not be construed to subject to  
36 condemnation by the authority or any successor of the authority, or

1 by any person who succeeds to the rights and privileges conferred on  
2 the authority by this chapter, any water:

3 (1) impounded or to be impounded inside or outside the  
4 authority under any law authorizing water to be impounded or under  
5 any permit granted to a municipal corporation or body politic; or

6 (2) impounded or permitted to be impounded or used  
7 outside the authority under a permit granted to any person.

8 (d) This chapter may not be construed to deprive any person  
9 of the right to impound the water of the Colorado River or its  
10 tributaries for domestic or municipal purposes or to repeal any law  
11 granting such a right to a person.

12 (e) The rights of the authority to impound, use, or sell the  
13 water of the Colorado River and its tributaries for the generation  
14 of hydroelectric power are subordinate and inferior to the rights  
15 of:

16 (1) municipalities situated in the watershed of the  
17 Colorado River and its tributaries to build dams and impound  
18 floodwaters for municipal purposes; and

19 (2) any residents of this state or bodies politic to  
20 build dams and impound the floodwaters in the watershed of the  
21 Colorado River and its tributaries for domestic purposes and for  
22 the purposes of irrigation.

23 (f) The title to any right, property, license, franchise, or  
24 permit acquired by the authority is subject to the limitations  
25 imposed by Subsection (e). (Acts 44th Leg., R.S., G.L., Ch. 338,  
26 Secs. 2 (part), 3.)

27 Source Law

28 Sec. 2. . . . Provided, however, that said  
29 District shall not be permitted to use for irrigation  
30 purposes any water under any law or permits heretofore  
31 issued or now held, owned or enjoyed by said District  
32 or which may be hereafter acquired from the Colorado  
33 River Corporation or any other company or person  
34 whomsoever unless expressly authorized by subsequent  
35 permits granted to the District by the Board of Water  
36 Engineers under authority of law; and said Board of  
37 Water Engineers in considering subsequent  
38 applications by said District shall at all times  
39 consider the need of the people living within and on  
40 the lands lying within the watershed of the Colorado  
41 River and its tributaries above the District;

1 provided, however, that nothing herein shall prevent  
2 the District from selling, for irrigation purposes  
3 within the boundaries of the District, any water  
4 impounded by it under authority of law.

5 Provided further, that in creating and conferring  
6 the benefits of this Act on said District, it is  
7 declared as an essential part thereof that  
8 irrespective of any existing right or rights or  
9 permits issued by the Board of Water Engineers of the  
10 State of Texas to use the water of the Colorado River  
11 and its tributaries for the generation of  
12 hydroelectric power and which rights or permits may be  
13 acquired by the District, the impounding and use of the  
14 flood waters of the Colorado River and/or its  
15 tributaries for the generation of hydroelectric power  
16 by the District and/or anyone who may succeed to the  
17 rights and privileges conferred upon it by this Act,  
18 shall be subject to the rights of any other person,  
19 municipal corporation or body politic heretofore  
20 impounding or now putting to beneficial use any such  
21 waters for the purposes set forth in subdivisions (1),  
22 (2) and (3) of Article 7471 of the Revised Civil  
23 Statutes of the State of Texas as amended by Chapter  
24 128 of the Acts of the Forty-second Legislature of the  
25 State of Texas, when such other person, municipal  
26 corporation or body politic has heretofore received a  
27 permit for such use or uses from the Board of Water  
28 Engineers of the State of Texas, or who by law has  
29 heretofore been permitted to impound water for the  
30 aforesaid purposes, and nothing in this Act shall ever  
31 be construed so as to subject to condemnation by said  
32 District, or any successors of, by anyone who may  
33 succeed to the rights and privileges conferred upon it  
34 by this Act any waters heretofore impounded or to be  
35 impounded within or without the District under any law  
36 authorizing water to be impounded or under any permits  
37 heretofore granted or hereafter granted to a municipal  
38 corporation or body politic or any waters heretofore  
39 impounded or permitted to be impounded or used without  
40 the District under permits heretofore or hereafter  
41 granted to any person.

42 Nothing in this Act shall be construed as  
43 depriving any person or municipality of the right to  
44 impound the waters of the Colorado River and/or its  
45 tributaries for domestic and/or municipal purposes,  
46 nor of repealing any law granting such rights to  
47 persons and municipalities.

48 Sec. 3. It is now declared to be the public  
49 policy of this State that any and all rights of the  
50 District hereby created to impound and/or use and/or  
51 sell the waters of the Colorado River and its  
52 tributaries for the generation of hydroelectric power,  
53 shall be subordinate and inferior to the rights of  
54 cities and towns situated within the watershed of the  
55 Colorado River and its tributaries to build dams and  
56 impound flood waters for municipal purposes; and  
57 likewise the rights of the said District hereby  
58 created to impound and/or use and/or sell said waters  
59 for the generation of hydroelectric power, shall be  
60 subordinate and inferior to the rights of any citizens  
61 of Texas or bodies politic, to build dams and impound  
62 the flood waters within the watershed of the Colorado  
63 River and its tributaries for domestic purposes and  
64 for the purposes of irrigation, and the title to any  
65 and all rights, properties, licenses, franchises,  
66 and/or permits acquired, or to be acquired, by the  
67 Central Colorado River Authority, shall be and become  
68 subject to limitations imposed by this Section.

1 Revisor's Note

2 (1) Section 2, Chapter 338, General Laws, Acts  
3 of the 44th Legislature, Regular Session, 1935, refers  
4 to permits "heretofore" issued, "now" held, owned, or  
5 enjoyed by the authority, or "hereafter" acquired. The  
6 revised law refers to a permit issued "before May 21,  
7 1935," held, owned, or enjoyed by the authority "as of  
8 that date," or acquired "after that date" because that  
9 was the effective date of Chapter 338.

10 (2) Section 2, Chapter 338, General Laws, Acts  
11 of the 44th Legislature, Regular Session, 1935, refers  
12 to permits acquired from "the Colorado River  
13 Corporation or any other company" or any other person.  
14 The revised law omits the quoted language because  
15 under Section 311.005(2), Government Code (Code  
16 Construction Act), "person" is defined to include any  
17 legal entity.

18 (3) Section 2, Chapter 338, General Laws, Acts  
19 of the 44th Legislature, Regular Session, 1935,  
20 prohibits the authority from using water for  
21 irrigation purposes without a permit granted to the  
22 authority by the "Board of Water Engineers" and  
23 requires the "Board of Water Engineers" to consider  
24 certain matters in considering applications by the  
25 authority. The revised law refers to a permit granted  
26 by the "commission or a predecessor agency" and  
27 requires the "commission" to consider certain matters  
28 in considering applications because the Texas  
29 Commission on Environmental Quality has succeeded to  
30 the relevant functions of the State Board of Water  
31 Engineers.

32 (4) Section 2, Chapter 338, General Laws, Acts  
33 of the 44th Legislature, Regular Session, 1935, refers  
34 to any "existing" right or rights or permits issued by

1 the "Board of Water Engineers of the State of Texas" to  
2 use the water of the Colorado River and its tributaries  
3 for the generation of hydroelectric power. The  
4 revised law refers to a right or permit that was issued  
5 by the "former" State Board of Water Engineers for the  
6 reason stated in Revisor's Note (3). The revised law  
7 refers to a right or permit that was in existence as of  
8 May 21, 1935, for the reason stated in Revisor's Note  
9 (1).

10 (5) Section 2, Chapter 338, General Laws, Acts  
11 of the 44th Legislature, Regular Session, 1935,  
12 provides that certain rights or permits acquired by  
13 the authority are subject to the rights of "any other  
14 person, municipal corporation or body politic  
15 heretofore impounding or now putting to beneficial  
16 use" the water of the Colorado River and its  
17 tributaries. The revised law omits the reference to a  
18 "municipal corporation or body politic" for the reason  
19 stated in Revisor's Note (2). The revised law  
20 substitutes a reference to "May 21, 1935," for the  
21 reference to "heretofore" for the reason stated in  
22 Revisor's Note (1). The revised law substitutes a  
23 reference to "as of that date" for the reference to  
24 "now" for the reason stated in Revisor's Note (1).

25 (6) Section 2, Chapter 338, General Laws, Acts  
26 of the 44th Legislature, Regular Session, 1935, refers  
27 to Subdivisions (1), (2), and (3) of Article 7471 of  
28 the Revised Civil Statutes of the State of Texas, as  
29 amended by Chapter 128 of the Acts of the 42nd  
30 Legislature of the State of Texas. Article 7471,  
31 Revised Statutes, was codified as Section 5.024, Water  
32 Code, by Chapter 58, Acts of the 62nd Legislature,  
33 Regular Session, 1971, and renumbered as Section  
34 11.024, Water Code, by Chapter 870, Acts of the 65th

1 Legislature, Regular Session, 1977. In 2001, Section  
2 11.024, Water Code, was amended by Chapter 966, Acts of  
3 the 77th Legislature, Regular Session. As a result of  
4 the amendment, Subdivisions (1), (2), and (3) of  
5 Article 7471, Revised Statutes, are now codified as  
6 Subdivisions (1) and (2) of Section 11.024, Water  
7 Code. The revised law is drafted accordingly.

8 (7) Section 2, Chapter 338, General Laws, Acts  
9 of the 44th Legislature, Regular Session, 1935, refers  
10 to a "person, municipal corporation or body politic"  
11 who has "heretofore" received a permit from the Board  
12 of Water Engineers of the State of Texas or who has  
13 "heretofore" been permitted to impound water. The  
14 revised law omits the reference to a "municipal  
15 corporation or body politic" for the reason stated in  
16 Revisor's Note (2). The revised law substitutes  
17 references to "May 21, 1935," for the references to  
18 "heretofore" for the reason stated in Revisor's Note  
19 (1). The revised law refers to a permit from the  
20 "former" State Board of Water Engineers for the reason  
21 stated in Revisor's Note (3).

22 (8) Section 2, Chapter 338, General Laws, Acts  
23 of the 44th Legislature, Regular Session, 1935, refers  
24 to any "person or municipality" and to "persons and  
25 municipalities." The revised law omits the references  
26 to "municipality" and "municipalities" for the reason  
27 stated in Revisor's Note (2).

28 (9) Section 3, Chapter 338, General Laws, Acts  
29 of the 44th Legislature, Regular Session, 1935, refers  
30 to "cities and towns." The revised law substitutes  
31 "municipality" for "cities and towns" because the  
32 meaning of "municipality" includes both cities and  
33 towns and because that is the term used in the Local  
34 Government Code.

1           (10) Section 3, Chapter 338, General Laws, Acts  
2 of the 44th Legislature, Regular Session, 1935, refers  
3 to "citizens" of Texas. The revised law substitutes  
4 "residents" for "citizens" because, in the context of  
5 this section, "citizens" and "residents" are  
6 synonymous and "residents" is more commonly used.

7                           Revised Law

8           Sec. 8505.115. PUBLIC USE OF AUTHORITY'S LAND. (a) The  
9 authority may prohibit free public use of its land for recreational  
10 purposes, hunting, or fishing only to the extent to which, in the  
11 opinion of the board, the use would interfere with the proper  
12 conduct and maintenance of its property.

13           (b) All public rights-of-way that as of May 21, 1935,  
14 traversed the areas adjacent to the areas to be flooded by the  
15 impounded waters shall remain open as a way of free public passage  
16 to and from the lakes created, and a charge may be made to the public  
17 for the right to engage in hunting, fishing, or boating thereon.

18           (c) On notice by a resident of this state of a violation of  
19 this section, the attorney general shall institute the proper legal  
20 proceedings to enforce compliance with this section by the  
21 authority or its successor.

22           (d) If the authority sells any of the authority's land  
23 bordering a lake to be created under this chapter, the authority  
24 shall retain in each tract a strip 20 feet wide abutting the  
25 high-water line of the lake for the purpose of passage and use by  
26 the public for public sports and amusements. This subsection does  
27 not apply to a sale of land by the authority to a state or federal  
28 agency to be used for game or fish sanctuaries or preserves or for  
29 propagation purposes. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec.  
30 16.)

31                           Source Law

32           Sec. 16. The District shall not prohibit free  
33 public use of its lands for recreation purposes and for  
34 hunting and fishing, except as in the opinion of the  
35 Directors, such use would interfere with the proper  
36 conduct and maintenance of its property.

37           All public rights of way now traversing the areas

1 adjacent to the areas to be flooded by the impounded  
2 waters shall remain open as a way of free public  
3 passage to and from the lakes created, and charge may  
4 be made to the public for the right to engage in  
5 hunting, fishing or boating thereon.

6 Upon it being called to the attention of the  
7 Attorney General of Texas by any citizen of Texas, that  
8 this section has not been complied with, it shall be  
9 the duty of the Attorney General of Texas to institute  
10 the proper legal proceedings to require said District,  
11 or their successors, to comply with the provisions of  
12 this section.

13 Provided, that if any of the land owned by the  
14 District bordering the lakes to be created under the  
15 authority of this Act be sold by the District, the  
16 District shall retain in each tract a strip twenty (20)  
17 feet wide abutting the high water line of the lake for  
18 the purpose of passage and use by the public for public  
19 sports and amusements, provided, further, however,  
20 that this provision shall not apply to any sales of  
21 land by the District to any State or Federal Agency to  
22 be used for game or fish sanctuaries, preserves, or for  
23 propagation purposes.

24 Revisor's Note

25 (1) Section 16, Chapter 338, General Laws, Acts  
26 of the 44th Legislature, Regular Session, 1935, refers  
27 to public rights of way "now" traversing certain  
28 areas. The revised law refers to public rights of way  
29 "that as of May 21, 1935," traversed those areas for  
30 the reason stated in Revisor's Note (1) to Section  
31 8505.114.

32 (2) Section 16, Chapter 338, General Laws, Acts  
33 of the 44th Legislature, Regular Session, 1935, refers  
34 to any "citizen" of Texas. The revised law substitutes  
35 "resident" for "citizen" for the reason stated in  
36 Revisor's Note (10) to Section 8505.114.

37 Revisor's Note  
38 (End of Subchapter)

39 (1) Section 2(j), Chapter 338, General Laws,  
40 Acts of the 44th Legislature, Regular Session, 1935,  
41 provides that the authority may sue and be sued in its  
42 corporate name. The revised law omits that provision  
43 because it duplicates, in substance, part of Section  
44 49.066, Water Code. The omitted law reads:

45 Sec. 2. . . . [Without limitation of  
46 the generality of the foregoing, the  
47 District shall have and is hereby  
48 authorized to exercise the following

1 powers, rights, privileges and functions:]

2 . . .  
3 (j) to sue and be sued in its  
4 corporate name;

5 . . .

6 (2) Section 2(k), Chapter 338, General Laws,  
7 Acts of the 44th Legislature, Regular Session, 1935,  
8 provides that the authority may make bylaws for the  
9 management and regulation of its affairs. The revised  
10 law omits that provision because it duplicates, in  
11 substance, part of Section 49.057(g), Water Code. The  
12 omitted law reads:

13 Sec. 2. . . . [Without limitation of  
14 the generality of the foregoing, the  
15 District shall have and is hereby  
16 authorized to exercise the following  
17 powers, rights, privileges and functions:]

18 . . .  
19 (k) to make by-laws for the  
20 management and regulation of its affairs;

21 . . .

22 [Sections 8505.116-8505.150 reserved for expansion]

23 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

24 Revised Law

25 Sec. 8505.151. DISBURSEMENT OF MONEY. The authority may  
26 disburse its money only by a check, draft, order, or other  
27 instrument signed by a person authorized to sign the instrument by  
28 the bylaws or a resolution in which at least a majority of the  
29 entire membership of the board concurs. (Acts 44th Leg., R.S.,  
30 G.L., Ch. 338, Sec. 6 (part).)

31 Source Law

32 Sec. 6. The moneys of the District shall be  
33 disbursed only on checks, drafts, orders or other  
34 instruments signed by such persons as shall be  
35 authorized to sign the same by the by-laws, or  
36 resolution concurred in by not less than a majority of  
37 the entire membership of the Board. . . .

38 Revised Law

39 Sec. 8505.152. ACCOUNTS, CONTRACTS, AND OTHER RECORDS;  
40 PUBLIC INSPECTION. (a) The authority shall keep complete and  
41 accurate accounts conforming to approved methods of bookkeeping.

42 (b) The accounts and all contracts, documents, and records  
43 of the authority shall be kept at the principal office of the

1 authority.

2 (c) The contracts shall be open to public inspection at all  
3 reasonable times. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 7  
4 (part).)

5 Source Law

6 Sec. 7. . . . The District shall cause to be  
7 kept complete and accurate accounts conforming to  
8 approved methods of bookkeeping. Said accounts and all  
9 contracts, documents and records of the District shall  
10 be kept at said principal office. Said accounts and  
11 contracts shall be open to public inspection at all  
12 reasonable times. . . .

13 Revisor's Note

14 Section 7, Chapter 338, General Laws, Acts of the  
15 44th Legislature, Regular Session, 1935, provides that  
16 accounts and contracts shall be open to public  
17 inspection at all reasonable times. The revised law  
18 omits that provision insofar as it pertains to  
19 accounts as superseded by Sections 49.191(b) and  
20 49.196(b), Water Code (enacted by Section 2, Chapter  
21 715, Acts of the 74th Legislature, Regular Session,  
22 1995), which provide that a district's fiscal records  
23 shall be available for public inspection during  
24 regular business hours.

25 Revised Law

26 Sec. 8505.153. FILING OF COPIES OF AUDIT REPORT. Copies of  
27 the audit report prepared under Subchapter G, Chapter 49, Water  
28 Code, shall be certified to by the accountant who performed the  
29 audit and filed:

- 30 (1) as required by Section 49.194, Water Code; and  
31 (2) with the comptroller. (Acts 44th Leg., R.S.,  
32 G.L., Ch. 338, Sec. 7 (part); New.)

33 Source Law

34 Sec. 7. . . . Copies of a written report of such  
35 audit, certified to by said accountant or accountants,  
36 shall be placed and kept on file with the Board of  
37 Water Engineers, with the Treasurer of the State of  
38 Texas and at said principal office, and . . .

1 Revisor's Note

2 (1) Section 7, Chapter 338, General Laws, Acts  
3 of the 44th Legislature, Regular Session, 1935, refers  
4 to various audit procedures, including requirements  
5 regarding filing of copies of the audit report. The  
6 revised law omits certain of those procedures for the  
7 following reasons. Chapter 49, Water Code, which was  
8 enacted by Chapter 715, Acts of the 74th Legislature,  
9 Regular Session, 1995, applies to the authority by  
10 application of Sections 49.001 and 49.002 of that  
11 chapter. As further detailed in the revisor's notes  
12 that follow, procedures that are superseded by  
13 Subchapter G, Chapter 49, Water Code, have been  
14 omitted as superseded by Section 49.191(b), Water  
15 Code, and the specific provisions in Subchapter G that  
16 conflict with Chapter 338. Section 49.191(b) provides  
17 that Subchapter G "shall take precedence over all  
18 prior statutory enactments."

19 For context and the convenience of the reader,  
20 the revised law adds a reference to the audit report  
21 prepared under Subchapter G, Chapter 49, Water Code,  
22 and to Section 49.194 of that code, which governs the  
23 filing of the report.

24 The Texas Commission on Environmental Quality is  
25 the successor to the State Board of Water Engineers.  
26 The revised law omits a requirement that a copy of the  
27 audit report be filed with the Texas Commission on  
28 Environmental Quality because it duplicates or is  
29 superseded by Section 49.194(a), Water Code.

30 An amendment to Section 23, Article IV, Texas  
31 Constitution, adopted November 7, 1995, abolished the  
32 office of state treasurer effective September 1, 1996.  
33 Under Sections 404.0011(a) and (b), Government Code,  
34 the state treasurer's powers and duties were

1 transferred to the comptroller, and a reference in law  
2 to the state treasurer means the comptroller. The  
3 revised law is drafted accordingly.

4 The revised law omits the requirement that a copy  
5 of the audit report be filed at the principal office of  
6 the authority because it duplicates or is superseded  
7 by Section 49.194(c), Water Code.

8 (2) Section 7, Chapter 338, General Laws, Acts  
9 of the 44th Legislature, Regular Session, 1935,  
10 provides that the board shall cause a financial audit  
11 to be completed within 90 days after the end of each  
12 calendar year. The revised law omits that provision as  
13 superseded by Sections 49.191(a), (b), and (d), Water  
14 Code (enacted by Section 2, Chapter 715, Acts of the  
15 74th Legislature, Regular Session, 1995), which  
16 require an annual audit to be completed within 120 days  
17 after the close of the authority's fiscal year. The  
18 omitted law reads:

19 Sec. 7. . . . The Board shall cause  
20 to be made and completed within ninety days  
21 after the end of each calendar year, an  
22 audit of the books of account and financial  
23 records of the District for such calendar  
24 year, . . . .

25 (3) Section 7, Chapter 338, General Laws, Acts  
26 of the 44th Legislature, Regular Session, 1935,  
27 provides that the audit shall be prepared by an  
28 independent certified public accountant or firm of  
29 certified public accountants. The revised law omits  
30 that provision as superseded by Sections 49.191(b) and  
31 (c), Water Code (enacted by Section 2, Chapter 715,  
32 Acts of the 74th Legislature, Regular Session, 1995),  
33 which provide that the person who performs the audit  
34 shall be a certified public accountant or public  
35 accountant holding a permit from the Texas State Board  
36 of Public Accountancy. The omitted law reads:

37 Sec. 7. . . . such audit to be made

1 by an independent Certified Public  
2 Accountant or firm of Certified Public  
3 Accountants. . . .

4 (4) Section 7, Chapter 338, General Laws, Acts  
5 of the 44th Legislature, Regular Session, 1935,  
6 provides that the filed copies of the audit report  
7 shall be open to public inspection at all reasonable  
8 times. The revised law omits that provision for the  
9 reason stated in the revisor's note to Section  
10 8505.152. The omitted law reads:

11 Sec. 7. . . . [Copies of a written  
12 report of such audit] . . . shall be open to  
13 public inspection at all reasonable times.

14 Revised Law

15 Sec. 8505.154. RATES AND OTHER CHARGES. (a) The board  
16 shall establish and collect rates and other charges for the sale or  
17 use of water, water connections, power, electric energy, or other  
18 services sold, provided, or supplied by the authority.

19 (b) The rates and charges must be reasonable,  
20 nondiscriminatory, and sufficient to provide revenue adequate to:

21 (1) pay all expenses necessary to the operation and  
22 maintenance of the properties and facilities of the authority;

23 (2) pay the interest on and the principal of all bonds  
24 issued under this chapter when and as they become due and payable;

25 (3) pay all sinking fund or reserve fund payments  
26 agreed to be made with respect to any of those bonds and payable out  
27 of that revenue when and as they become due and payable; and

28 (4) fulfill the terms of any agreements made with the  
29 holders of those bonds or with any person in their behalf.

30 (c) The rates and charges may not exceed what may be  
31 necessary to fulfill the obligations imposed on the authority by  
32 this chapter. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 9 (part).)

33 Source Law

34 Sec. 9. The Board shall establish and collect  
35 rates and other charges for the sale or use of water,  
36 water connections, power, electric energy or other  
37 services sold, furnished, or supplied by the District  
38 which fees and charges shall be reasonable and  
39 nondiscriminatory and sufficient to produce revenues  
40 adequate;

1 (a) to pay all expenses necessary to the  
2 operation and maintenance of the properties and  
3 facilities of the District;

4 (b) to pay the interest on and principal of all  
5 bonds issued under this Act when and as the same shall  
6 become due and payable;

7 (c) to pay all sinking fund and/or reserve fund  
8 payments agreed to be made in respect of any such  
9 bonds, and payable out of such revenues, when and as  
10 the same shall become due and payable; and

11 (d) to fulfill the terms of any agreements made  
12 with the holders of such bonds and/or with any person  
13 in their behalf.

14 . . .  
15 It is the intention of this Act that the rates and  
16 charges of the District shall not be in excess of what  
17 may be necessary to fulfill the obligations imposed  
18 upon it by this Act. . . .

19 Revisor's Note

20 Section 9, Chapter 338, General Laws, Acts of the  
21 44th Legislature, Regular Session, 1935, refers  
22 variously to "rates and other charges," "rates and  
23 charges," and "fees and charges." The revised law  
24 substitutes "rates and charges" for "fees and charges"  
25 for consistency of terminology.

26 Revised Law

27 Sec. 8505.155. USE OF EXCESS REVENUE. If the authority  
28 receives revenue in excess of that required for the purposes  
29 specified by Section 8505.154(b), the board may:

30 (1) use the excess revenue to:

31 (A) establish a reasonable depreciation and  
32 emergency fund; or

33 (B) retire bonds issued under this chapter by  
34 purchase and cancellation or redemption; or

35 (2) apply the excess revenue to any corporate purpose.

36 (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 9 (part).)

37 Source Law

38 Sec. 9. . . .

39 Out of the revenues which may be received in  
40 excess of those required for the purposes specified in  
41 subparagraphs (a), (b), (c), and (d) above, the Board  
42 may in its discretion establish a reasonable  
43 depreciation and emergency fund, or retire (by  
44 purchase and cancellation or redemption) bonds issued  
45 under this Act, or apply the same to any corporate  
46 purpose.

47 . . .



1 means the act prevails over future enactments of the  
2 legislature that may conflict with it, it is  
3 misleading. For example, Section 49.107, Water Code,  
4 enacted in 1995 and applicable to the authority under  
5 Sections 49.001 and 49.002 of that code, authorizes a  
6 district to impose ad valorem taxes for operation and  
7 maintenance purposes. Section 311.026, Government  
8 Code (Code Construction Act), governs the  
9 interpretation of the revised law in instances of  
10 apparent conflict with other laws. See also the  
11 revisor's note at the end of Subchapter A.

12 [Sections 8505.157-8505.200 reserved for expansion]

13 SUBCHAPTER E. OBLIGATIONS RELATING TO BORROWED MONEY OR GRANTS

14 Revised Law

15 Sec. 8505.201. LOANS AND GRANTS. The authority may:

16 (1) borrow money for its corporate purposes;

17 (2) borrow money or accept a grant from the United  
18 States and, in connection with such a loan or grant, enter into any  
19 agreement the United States or such corporation or agency may  
20 require; and

21 (3) make and issue its bonds for money borrowed, in the  
22 manner and to the extent provided by Section 8505.203. (Acts 44th  
23 Leg., R.S., G.L., Ch. 338, Sec. 2 (part).)

24 Source Law

25 Sec. 2. . . . Without limitation of the  
26 generality of the foregoing, the District shall have  
27 and is hereby authorized to exercise the following  
28 powers, rights, privileges and functions:

29 . . .  
30 (o) to borrow money for its corporate purposes  
31 and, without limitation of the generality of the  
32 foregoing, to borrow money and accept grants from the  
33 United States of America, and, in connection with any  
34 such loan or grant, to enter into such agreements as  
35 the United States of America or such corporation or  
36 agency may require; and to make and issue its  
37 negotiable bonds for moneys borrowed in the manner and  
38 to the extent provided in Section 10. . . .

39 Revisor's Note

40 (1) Section 2(o), Chapter 338, General Laws,  
41 Acts of the 44th Legislature, Regular Session, 1935,

1 authorizes the authority to issue "negotiable" bonds.  
2 The revised law omits the reference to "negotiable"  
3 bonds because Section 1201.041, Government Code,  
4 provides that a public security is a negotiable  
5 instrument. Throughout this chapter, the revised law  
6 omits law that is superseded by Chapter 1201,  
7 Government Code, or that duplicates law contained in  
8 that chapter. Chapter 1201, Government Code, applies  
9 to authority bonds under Sections 1201.002 and  
10 1201.003, Government Code.

11 (2) Section 2(o), Chapter 338, General Laws,  
12 Acts of the 44th Legislature, Regular Session, 1935,  
13 provides that the act does not authorize the issuance  
14 of bonds, notes, or other evidences of indebtedness of  
15 the authority except as specifically provided by the  
16 act and that an issuance of bonds, notes, or other  
17 evidences of indebtedness of the authority is not  
18 authorized except by the act or another act of the  
19 legislature. The revised law omits those provisions  
20 because the limitations contained in the act and other  
21 acts of the legislature apply to the issuance of  
22 authority bonds, notes, or other evidences of  
23 indebtedness without an express reference to those  
24 limitations in this section. The omitted law reads:

25 Sec. 2. . . .  
26 (o) . . . Nothing in this Act shall  
27 authorize the issuance of any bonds, notes  
28 or other evidences of indebtedness of the  
29 District, except as specifically provided  
30 in this Act, and no issuance of bonds, notes  
31 or other evidences of indebtedness of the  
32 District, except as specifically provided  
33 in this Act, shall ever be authorized except  
34 by an Act of the Legislature;  
35 . . .

36 Revised Law

37 Sec. 8505.202. STATE PLEDGE REGARDING RIGHTS AND REMEDIES  
38 OF BONDHOLDERS. This chapter does not deprive this state of its  
39 power to regulate and control rates or charges to be collected for

1 the use of water, water connections, power, electric energy, or  
2 another service. The state pledges to and agrees with the  
3 purchasers and successive holders of the bonds issued under this  
4 chapter that the state will not limit or alter the power this  
5 chapter gives the authority to establish and collect rates and  
6 charges that will produce revenue sufficient to pay the items  
7 specified by Section 8505.154(b) or in any way impair the rights or  
8 remedies of the holders of the bonds, or of any person in their  
9 behalf, until the following are fully discharged:

- 10 (1) the bonds;
- 11 (2) the interest on the bonds;
- 12 (3) interest on unpaid installments of interest;
- 13 (4) all costs and expenses in connection with any  
14 action or proceedings by or on behalf of the bondholders; and
- 15 (5) all other obligations of the authority in  
16 connection with the bonds. (Acts 44th Leg., R.S., G.L., Ch. 338,  
17 Sec. 9 (part).)

18 Source Law

19 Sec. 9. . . . Nothing herein shall be construed  
20 as depriving the State of Texas of its power to  
21 regulate and control fees and/or charges to be  
22 collected for the use of water, water connections,  
23 power, electric energy, or other service, provided  
24 that the State of Texas does hereby pledge to and agree  
25 with the purchasers and successive holders of the  
26 bonds issued hereunder that the State will not limit or  
27 alter the power hereby vested in the District to  
28 establish and collect such fees and charges as will  
29 produce revenues sufficient to pay the items specified  
30 in subparagraphs (a), (b), (c), and (d) of this Section  
31 9, or in any way to impair the rights or remedies of the  
32 holders of the bonds, or of any person in their behalf,  
33 until the bonds, together with the interest thereon,  
34 with interest on unpaid installments of interest and  
35 all costs and expenses in connection with any action or  
36 proceedings by or on behalf of the bondholders and all  
37 other obligations of the District in connection with  
38 such bonds are fully met and discharged.

39 Revisor's Note

40 Section 9, Chapter 338, General Laws, Acts of the  
41 44th Legislature, Regular Session, 1935, refers to  
42 "fees and/or charges" and "fees and charges." The  
43 revised law substitutes "rates and charges" for the  
44 quoted language for the reason stated in the revisor's

1 note to Section 8505.154.

2 Revised Law

3 Sec. 8505.203. OBLIGATION PAYABLE FROM REVENUE. A debt,  
4 liability, or obligation of the authority for the payment of money,  
5 however entered into or incurred and whether arising from an  
6 express or implied contract or otherwise, is payable solely:

7 (1) out of the revenue received by the authority with  
8 respect to its properties, subject to any prior lien on the revenue  
9 conferred by any resolution previously adopted as provided by this  
10 chapter authorizing the issuance of bonds; or

11 (2) if the board so determines, out of the proceeds of  
12 sale by the authority of bonds payable solely from revenue  
13 described by Subdivision (1). (Acts 44th Leg., R.S., G.L., Ch. 338,  
14 Sec. 10.)

15 Source Law

16 Sec. 10. Any and every indebtedness, liability  
17 or obligation of the District, for the payment of  
18 money, however entered into or incurred, and whether  
19 arising from contract, implied contract or otherwise  
20 shall be payable solely (1) out of the revenues  
21 received by the District in respect of its properties,  
22 subject to any prior lien thereon conferred by any  
23 resolution or resolutions theretofore adopted as in  
24 this Act provided, authorizing the issuance of bonds  
25 or (2), if the Board shall so determine, out of the  
26 proceeds of sale by the District of bonds payable  
27 solely from such revenues.

28 Revised Law

29 Sec. 8505.204. POWER TO ISSUE BONDS. (a) The authority may  
30 issue bonds for any corporate purpose in an aggregate principal  
31 amount not to exceed \$500,000.

32 (b) The bonds must be authorized by a board resolution.  
33 (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 11 (part).)

34 Source Law

35 Sec. 11. The District shall have power and is  
36 hereby authorized to issue, from time to time, bonds as  
37 herein authorized for any corporate purpose, not to  
38 exceed Five Hundred Thousand (\$500,000.00) Dollars, in  
39 aggregate principal amount. . . . All such bonds  
40 shall be authorized by resolution of the Board  
41 concurred in by at least a majority of the entire  
42 membership of the Board, and . . . .

1 Revisor's Note

2 (1) Section 11, Chapter 338, General Laws, Acts  
3 of the 44th Legislature, Regular Session, 1935,  
4 permits the authority to issue bonds "from time to  
5 time." The revised law omits the quoted language for  
6 the reason stated in Revisor's Note (1) to Section  
7 8505.107.

8 (2) Section 11, Chapter 338, General Laws, Acts  
9 of the 44th Legislature, Regular Session, 1935,  
10 permits the authority to issue bonds "as herein  
11 authorized." The revised law omits the quoted  
12 language for the reason stated in Revisor's Note (2) to  
13 Section 8505.201.

14 (3) Section 11, Chapter 338, General Laws, Acts  
15 of the 44th Legislature, Regular Session, 1935,  
16 authorizes the authority to issue bonds not to exceed  
17 \$500,000 in aggregate principal amount and provides  
18 that any additional amount of bonds must be authorized  
19 by an act of the legislature. The revised law omits  
20 the provision requiring that any additional amount of  
21 bonds be authorized by an act of the legislature  
22 because the revised law limits the aggregate principal  
23 amount of the bonds the authority may issue to \$500,000  
24 and any act of the legislature authorizing the  
25 authority to issue an additional amount of bonds would  
26 apply to the issuance of authority bonds without an  
27 express reference to that act in this section. The  
28 omitted law reads:

29 Sec. 11. . . . Any additional amount  
30 of bonds must be authorized by an Act of the  
31 Legislature. . . .

32 (4) Section 11, Chapter 338, General Laws, Acts  
33 of the 44th Legislature, Regular Session, 1935,  
34 requires that bonds issued by the authority be  
35 authorized by a resolution of the board "concurred in

1 by at least a majority of the entire membership of the  
2 board." The revised law omits the quoted language  
3 because it duplicates, in substance, Section 4(c) of  
4 Chapter 338, codified in pertinent part as Section  
5 8505.056(b)(2), which provides that bonds, notes, or  
6 other evidence of indebtedness must be authorized or  
7 ratified by the affirmative vote of at least a majority  
8 of the entire membership of the board.

9 Revised Law

10 Sec. 8505.205. TERMS OF ISSUANCE. Authority bonds may be:

11 (1) sold for cash;

12 (2) issued on terms the board determines in exchange  
13 for property of any kind, or any interest in property, that the  
14 board considers necessary or convenient for the corporate purpose  
15 for which the bonds are issued; or

16 (3) issued in exchange for like principal amounts of  
17 other obligations of the authority, whether matured or unmatured.

18 (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 11 (part).)

19 Source Law

20 Sec. 11. . . . Such bonds may either be (1) sold  
21 for cash, at public or private sale, at such price or  
22 prices as the Board shall determine, . . . or (2) may  
23 be issued on such terms as the Board shall determine in  
24 exchange for property of any kind, real, personal, or  
25 mixed or any interest therein which the Board shall  
26 determine in exchange for property of any kind, real,  
27 personal or mixed or any interest therein which the  
28 Board shall deem necessary or convenient for any such  
29 corporate purpose, or (3) may be issued in exchange for  
30 like principal amounts of other obligations of the  
31 District, matured or unmatured. . . .

32 Revisor's Note

33 (1) Section 11, Chapter 338, General Laws, Acts  
34 of the 44th Legislature, Regular Session, 1935,  
35 provides that authority bonds may be sold "at public or  
36 private sale." The revised law omits the quoted  
37 language because it duplicates Section  
38 1201.022(a)(3)(A), Government Code.

39 (2) Section 11, Chapter 338, General Laws, Acts  
40 of the 44th Legislature, Regular Session, 1935,

1 provides that authority bonds may be sold "at such  
2 price or prices as the Board shall determine." The  
3 revised law omits the quoted language because it is  
4 superseded by general law. Section 1201.022,  
5 Government Code, as amended in 2001, provides that an  
6 issuer may sell public securities "under the terms  
7 determined by the governing body of the issuer to be in  
8 the issuer's best interests."

9 (3) Section 11, Chapter 338, General Laws, Acts  
10 of the 44th Legislature, Regular Session, 1935,  
11 provides that the board may issue bonds "on such terms  
12 as the Board shall determine in exchange for property  
13 of any kind, real, personal, or mixed or any interest  
14 therein which the Board shall determine in exchange  
15 for property of any kind, real, personal or mixed or  
16 any interest therein." The revised law substitutes "on  
17 terms the board determines in exchange for property of  
18 any kind, or any interest in property," because it is  
19 clear from the context that the repetition of the  
20 phrase "which the Board shall determine in exchange  
21 for property of any kind, real, personal or mixed or  
22 any interest therein" is a typographical error and  
23 that the legislature intended to allow the board to  
24 determine the terms of an exchange of bonds for any  
25 kind of property or an interest in property.

26 Revised Law

27 Sec. 8505.206. DEPOSIT OF PROCEEDS. The proceeds of sale of  
28 authority bonds shall be deposited in one or more banks or trust  
29 companies, and shall be paid out according to the terms, on which  
30 the authority and the purchasers of the bonds agree. (Acts 44th  
31 Leg., R.S., G.L., Ch. 338, Sec. 11 (part).)

32 Source Law

33 Sec. 11. . . . The proceeds of sale of such  
34 bonds shall be deposited in such bank or banks or trust  
35 company or trust companies, and shall be paid out  
36 pursuant to such terms and conditions, as may be agreed

1 upon between the District and the purchasers of such  
2 bonds. . . .

3 Revisor's Note

4 Section 11, Chapter 338, General Laws, Acts of  
5 the 44th Legislature, Regular Session, 1935, refers to  
6 the "terms and conditions" under which proceeds of the  
7 sale of authority bonds shall be paid out. The revised  
8 law omits "conditions" because the meaning of the term  
9 is included in the meaning of "terms."

10 Revised Law

11 Sec. 8505.207. RESOLUTION PROVISIONS. (a) A resolution  
12 authorizing bonds may contain provisions approved by the board that  
13 are not inconsistent with this chapter, including provisions:

14 (1) reserving the right to redeem the bonds at the time  
15 or times, in the amounts, and at the prices, not exceeding 105  
16 percent of the principal amount of the bonds, plus accrued  
17 interest, as may be provided;

18 (2) providing for the setting aside of sinking funds  
19 or reserve funds and the regulation and disposition of those funds;

20 (3) pledging, to secure the payment of the principal  
21 of and interest on the bonds and of the sinking fund or reserve fund  
22 payments agreed to be made with respect to the bonds:

23 (A) all or any part of the gross or net revenue  
24 subsequently received by the authority with respect to the property  
25 to be acquired or constructed with the bonds or the proceeds of the  
26 bonds; or

27 (B) all or any part of the gross or net revenue  
28 subsequently received by the authority from any source;

29 (4) prescribing the purposes to which the bonds or any  
30 bonds subsequently to be issued, or the proceeds of the bonds, may  
31 be applied;

32 (5) agreeing to set and collect rates and charges  
33 sufficient to produce revenue adequate to pay the items specified  
34 by Section 8505.154(b) and prescribing the use and disposition of  
35 all revenue;

1 (6) prescribing limitations on the issuance of  
2 additional bonds and on the agreements that may be made with the  
3 purchasers and successive holders of those bonds;

4 (7) with regard to the construction, extension,  
5 improvement, reconstruction, operation, maintenance, and repair of  
6 the properties of the authority and the carrying of insurance on all  
7 or any part of those properties covering loss or damage or loss of  
8 use and occupancy resulting from specified risks;

9 (8) setting the procedure, if any, by which, if the  
10 authority so desires, the terms of a contract with the bondholders  
11 may be amended or abrogated, the amount of bonds the holders of  
12 which must consent to that amendment or abrogation, and the manner  
13 in which the consent may be given; and

14 (9) providing for the execution and delivery by the  
15 authority to a bank or trust company authorized by law to accept  
16 trusts, or to the United States or any officer of the United States,  
17 of indentures and agreements for the benefit of the bondholders  
18 setting forth any or all of the agreements authorized by this  
19 chapter to be made with or for the benefit of the bondholders and  
20 any other provisions that are customary in such indentures or  
21 agreements.

22 (b) A provision authorized by this section that is contained  
23 in a bond resolution is part of the contract between the authority  
24 and the bondholders. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 11  
25 (part).)

26 Source Law

27 Sec. 11. . . . Any resolution or resolutions  
28 authorizing any bonds may contain provisions, which  
29 shall be part of the contract between the District and  
30 the holders thereof from time to time (a) reserving the  
31 right to redeem such bonds at such time or times, in  
32 such amounts and at such prices, not exceeding one  
33 hundred five (105%) per centum of the principal amount  
34 thereof, plus accrued interest, as may be provided;  
35 (b) providing for the setting aside of sinking funds or  
36 reserve funds and the regulation and disposition  
37 thereof; (c) pledging to secure the payment of the  
38 principal of and interest on such bonds and of the  
39 sinking fund or reserve fund payments agreed to be made  
40 in respect of such bonds all or any part of the gross or  
41 net revenues thereafter received by the District in  
42 respect of the property, real, personal or mixed, to be

1 acquired and/or constructed with such bonds or the  
2 proceeds thereof, or all or any part of the gross or  
3 net revenues thereafter received by the District from  
4 whatever source derived; (d) prescribing the purposes  
5 to which such bonds or any bonds thereafter to be  
6 issued, or the proceeds thereof, may be applied; (e)  
7 agreeing to fix and collect rates and charges  
8 sufficient to produce revenues adequate to pay the  
9 items specified in subdivisions (a), (b), (c), and (d)  
10 of Section 9 hereof, and prescribing the use and  
11 disposition of all revenues; (f) prescribing  
12 limitations upon the issuance of additional bonds and  
13 upon the agreements which may be made with the  
14 purchasers and successive holders thereof; (g) with  
15 regard to the construction, extension, improvement,  
16 reconstruction, operation, maintenance and repair of  
17 the properties of the District and carrying of  
18 insurance upon all or any part of said properties  
19 covering loss or damage or loss of use and occupancy  
20 resulting from specified risks; (h) fixing the  
21 procedure, if any, by which, if the District shall so  
22 desire, the terms of any contract with the holders of  
23 such bonds may be amended or abrogated, the amount of  
24 bonds the holders of which must consent thereto, and  
25 the manner in which such consent may be given; (i) for  
26 the execution and delivery by the District to a bank or  
27 trust company authorized by law to accept trusts, or to  
28 the United States of America or any officer or agency  
29 thereof, of indentures and agreements for the benefit  
30 of the holders of such bonds setting forth any or all  
31 of the agreements herein authorized to be made with or  
32 for the benefit of the holders of such bonds and such  
33 other provisions as may be customary in such  
34 indentures or agreements; and (j) such other  
35 provisions not inconsistent with the provisions of  
36 this Act, as the Board may approve.

37 . . .

38 Revisor's Note

39 (1) Section 11, Chapter 338, General Laws, Acts  
40 of the 44th Legislature, Regular Session, 1935,  
41 provides that provisions of the resolution authorizing  
42 bonds are "part of the contract between the District  
43 and the holders thereof from time to time." The  
44 revised law omits "from time to time" because, to the  
45 extent the phrase modifies "the contract [made]," the  
46 power to make a contract includes the power to do so at  
47 any time, and to the extent the phrase modifies "the  
48 holders [of authority bonds]," "bondholder" includes  
49 anyone holding a bond at any time the statute is read.

50 (2) Section 11(i), Chapter 338, General Laws,  
51 Acts of the 44th Legislature, Regular Session, 1935,  
52 refers to the "United States of America or any . . .  
53 agency thereof." The revised law omits the reference

1 to an agency of the United States because under Section  
2 311.005(9), Government Code (Code Construction Act),  
3 "United States" includes an agency of the United  
4 States.

5 Revised Law

6 Sec. 8505.208. DEFAULT PROCEDURES. (a) This section  
7 applies only to a default in:

8 (1) the payment of the interest on bonds as the  
9 interest becomes due and payable;

10 (2) the payment of the principal of bonds as they  
11 become due and payable, whether at maturity, by call for  
12 redemption, or otherwise; or

13 (3) the performance of an agreement made with the  
14 purchasers or successive holders of bonds.

15 (b) A resolution authorizing bonds and any indenture or  
16 agreement entered into under the resolution may provide that in the  
17 event of a default described by Subsection (a) that continues for a  
18 period, if any, prescribed by the resolution, the trustee under the  
19 indenture entered into with respect to the bonds authorized by the  
20 resolution, or, if there is no indenture, a trustee appointed in the  
21 manner provided in the resolution by the holders of 25 percent in  
22 aggregate principal amount of the bonds authorized by the  
23 resolution and then outstanding may, and on the written request of  
24 the holders of 25 percent in aggregate principal amount of the bonds  
25 authorized by the resolution then outstanding, shall, in the  
26 trustee's own name, but for the equal and proportionate benefit of  
27 the holders of all of the bonds, and with or without having  
28 possession of the bonds:

29 (1) by mandamus or other suit, action, or proceeding  
30 at law or in equity, enforce all rights of the bondholders;

31 (2) bring suit on the bonds or the appurtenant  
32 coupons;

33 (3) by action or suit in equity, require the authority  
34 to account as if it were the trustee of an express trust for the

1 bondholders;

2 (4) by action or suit in equity, enjoin any acts or  
3 things that may be unlawful or in violation of the rights of the  
4 bondholders; or

5 (5) after such notice to the authority as the  
6 resolution may provide, declare the principal of all of the bonds  
7 due and payable, and if all defaults have been made good, then with  
8 the written consent of the holders of 25 percent in aggregate  
9 principal amount of the bonds then outstanding, annul the  
10 declaration and its consequences.

11 (c) Notwithstanding Subsection (b), the holders of more  
12 than a majority in principal amount of the bonds authorized by the  
13 resolution and then outstanding, by written instrument delivered to  
14 the trustee, are entitled to direct and control any and all action  
15 taken or to be taken by the trustee under this section.

16 (d) A resolution, indenture, or agreement relating to bonds  
17 may provide that in a suit, action, or proceeding under this  
18 section, the trustee, whether or not all of the bonds have been  
19 declared due and payable and with or without possession of any of  
20 the bonds, is entitled to the appointment of a receiver who may:

21 (1) enter and take possession of all or any part of the  
22 properties of the authority;

23 (2) operate and maintain the properties;

24 (3) set, collect, and receive rates and charges  
25 sufficient to provide revenue adequate to pay the items specified  
26 by Section 8505.154(b) and the costs and disbursements of the suit,  
27 action, or proceeding; and

28 (4) apply the revenue in conformity with this chapter  
29 and the resolution authorizing the bonds.

30 (e) In a suit, action, or proceeding by a trustee under this  
31 section, the reasonable fees, attorney's fees, and expenses of the  
32 trustee and of the receiver, if any, constitute taxable  
33 disbursements, and all costs and disbursements allowed by the court  
34 are a first charge on any revenue pledged to secure the payment of

1 the bonds.

2 (f) The courts of Coleman County have jurisdiction of a  
3 suit, action, or proceeding by a trustee on behalf of the  
4 bondholders and of all property involved in the suit, action, or  
5 proceeding.

6 (g) In addition to the powers specifically provided by this  
7 section, a trustee has all powers necessary or appropriate for the  
8 exercise of the powers specifically provided or incident to the  
9 general representation of the bondholders in the enforcement of  
10 their rights. (Acts 44th Leg., R.S., G.L., Ch. 338, Sec. 11  
11 (part).)

12 Source Law

13 Sec. 11. . . .

14 Any such resolution and any indenture or  
15 agreement entered into pursuant thereto may provide  
16 that in the event that

17 (a) default shall be made in the payment of the  
18 interest on any or all bonds when and as the same shall  
19 become due and payable, or

20 (b) default shall be made in the payment of the  
21 principal of any or all bonds when and as the same  
22 shall become due and payable, whether at the maturity  
23 thereof, by call for redemption or otherwise, or

24 (c) default shall be made in the performance of  
25 any agreement made with the purchasers or successive  
26 holders of any bonds.

27 And such default shall have continued such  
28 period, if any, as may be prescribed by said resolution  
29 in respect thereof, the trustee under the indenture or  
30 indentures entered into in respect of the bonds  
31 authorized thereby, or if there shall be no such  
32 indenture, a trustee appointed in the manner provided  
33 in such resolution or resolutions by the holders of  
34 twenty-five (25%) per centum in aggregate principal  
35 amount of the bonds authorized thereby and at the time  
36 outstanding may, and upon the written request of the  
37 holders of twenty-five (25%) per centum in aggregate  
38 principal amount of the bonds authorized by such  
39 resolution or resolutions at the time outstanding,  
40 shall, in his or its own name, but for the equal and  
41 proportionate benefit of the holders of all of such  
42 bonds; and with or without having possession thereof;

43 (1) by mandamus or other suit, action or  
44 proceeding at law or in equity, enforce all rights of  
45 the holders of such bonds;

46 (2) bring suit upon such bonds and/or the  
47 appurtenant coupons;

48 (3) by action or suit in equity, require the  
49 district to account as if it were the trustee or an  
50 express trust for the bondholders;

51 (4) by action or suit in equity, enjoin any acts  
52 or things which may be unlawful or in violation of the  
53 rights of the holders of such bonds; and/or

54 (5) after such notice to the District as such  
55 resolution may provide, declare the principal of all  
56 such bonds due and payable, and if all defaults shall

1 have been made good, then with the written consent of  
2 the holders of twenty-five (25%) per centum in  
3 aggregate principal amount of such bonds at the time  
4 outstanding, annul such declaration and its  
5 consequences; provided, however, that the holders of  
6 more than a majority in principal amount of the bonds  
7 authorized thereby and at the time outstanding shall  
8 by instrument or instruments in writing delivered to  
9 such trustee have the right to direct and control any  
10 and all action taken or to be taken by such trustee  
11 under this paragraph. Any such resolution, indenture  
12 or agreement may provide that in any such suit, action  
13 or proceeding, any such trustee, whether or not all of  
14 such bonds shall have been declared due and payable,  
15 and with or without possession of any thereof, shall be  
16 entitled as of right to the appointment of a receiver  
17 who may enter and take possession of all or any part of  
18 the properties of the District and operate and  
19 maintain the same, and fix, collect and receive rates  
20 and charges sufficient to provide revenues adequate to  
21 pay the items set forth in subparagraphs (a), (b), (c),  
22 and (d) of Section 9 hereof and the costs and  
23 disbursements of such suit, action or proceeding and  
24 to apply such revenues in conformity with the  
25 provisions of this Act and the resolution or  
26 resolutions authorizing such bonds. In any suit,  
27 action or proceeding by any such trustee, the  
28 reasonable fees, counsel fees and expenses of such  
29 trustee and of the receiver or receivers, if any, shall  
30 constitute taxable disbursements, and all costs and  
31 disbursements allowed by the court shall be a first  
32 charge upon any revenues pledged to secure the payment  
33 of such bonds. Subject to the provisions of the  
34 Constitution of the State of Texas, the courts of the  
35 County of Coleman shall have jurisdiction of any such  
36 suit, action or proceeding by any such trustee on  
37 behalf of the bondholders and of all property involved  
38 therein. In addition to the powers hereinabove  
39 specifically provided for, each such trustee shall  
40 have and possess all powers necessary or appropriate  
41 for the exercise of any thereof, or incident to the  
42 general representation of the bondholders in the  
43 enforcement of their rights.

44 . . .

45 Revisor's Note

46 (1) Section 11, Chapter 338, General Laws, Acts  
47 of the 44th Legislature, Regular Session, 1935,  
48 provides that a trustee in certain circumstances may  
49 or shall require the authority to account as if it were  
50 the trustee "or" an express trust for the bondholders.  
51 The revised law substitutes "of" for "or" because it is  
52 clear from the context that "or" is a typographical  
53 error and that the legislature intended to authorize  
54 or require a trustee to require the authority to  
55 account as if it were the trustee "of" an express trust  
56 for the bondholders.

1           (2) Section 11, Chapter 338, General Laws, Acts  
2 of the 44th Legislature, Regular Session, 1935,  
3 provides that a resolution, indenture, or agreement  
4 may provide that in a suit, action, or proceeding, a  
5 trustee "shall be entitled as of right" to the  
6 appointment of a receiver. The revised law  
7 substitutes "is entitled to" for the quoted language  
8 because under Section 311.016(4), Government Code  
9 (Code Construction Act), "is entitled to" creates or  
10 recognizes a right.

11           (3) Section 11, Chapter 338, General Laws, Acts  
12 of the 44th Legislature, Regular Session, 1935, refers  
13 to "counsel fees" incurred in a suit, action, or  
14 proceeding by a trustee. The revised law substitutes  
15 "attorney's fees" for "counsel fees" because, in this  
16 context, the meaning is the same and "attorney's fees"  
17 is the more commonly used term.

18           (4) Section 11, Chapter 338, General Laws, Acts  
19 of the 44th Legislature, Regular Session, 1935,  
20 provides that "[s]ubject to the provisions of the  
21 Constitution of the State of Texas," the courts of  
22 Coleman County have jurisdiction of a suit, action, or  
23 proceeding by a trustee. The revised law omits the  
24 reference to the Texas Constitution because the state  
25 cannot modify constitutional requirements by statute.

26           (5) Section 11, Chapter 338, General Laws, Acts  
27 of the 44th Legislature, Regular Session, 1935,  
28 provides that in addition to the powers specifically  
29 provided for, each trustee "shall have and possess"  
30 all powers necessary or appropriate for the exercise  
31 of the powers specifically provided or incident to the  
32 general representation of the bondholders in the  
33 enforcement of their rights. The revised law  
34 substitutes "has" for "shall have and possess"

1 because, in context, the terms have the same meaning  
2 and "has" is more concise.

3 Revised Law

4 Sec. 8505.209. POWER OF AUTHORITY TO PURCHASE BONDS ISSUED  
5 BY AUTHORITY. (a) Using any money available for the purpose, the  
6 authority may purchase bonds issued by it at a price not exceeding  
7 the redemption price applicable at the time of the purchase, or, if  
8 the bonds are not redeemable, at a price not exceeding the principal  
9 amount of the bonds plus accrued interest.

10 (b) All bonds purchased under this section shall be  
11 canceled, and bonds may not be issued in lieu of those bonds. (Acts  
12 44th Leg., R.S., G.L., Ch. 338, Sec. 14.)

13 Source Law

14 Sec. 14. The District shall have power out of  
15 any funds available therefor to purchase any bonds  
16 issued by it at a price not exceeding the redemption  
17 price applicable at the time of such purchase, or if  
18 such bonds shall not be redeemable, at a price not  
19 exceeding the principal amount thereof plus accrued  
20 interest. All bonds so purchased shall be cancelled  
21 and no bonds shall ever be issued in lieu thereof.

22 Revisor's Note

23 Section 14, Chapter 338, General Laws, Acts of  
24 the 44th Legislature, Regular Session, 1935, refers to  
25 "funds" available to the authority. The revised law  
26 substitutes "money" for "funds" because, in the  
27 context of funds available to the authority, the  
28 meaning is the same and "money" is the more commonly  
29 used term.

30 Revised Law

31 Sec. 8505.210. BONDS EXEMPT FROM TAXATION. A bond issued  
32 under this chapter and the interest on the bond is exempt from  
33 taxation, except inheritance taxes, by this state or by any  
34 political subdivision of this state. (Acts 44th Leg., R.S., G.L.,  
35 Ch. 338, Sec. 17.)

36 Source Law

37 Sec. 17. All bonds and the interest thereon  
38 issued pursuant to the provisions of this Act shall be  
39 exempt from taxation (except inheritance taxes) by the

1 State of Texas or by any municipal corporation, county  
2 or other political subdivision or taxing district of  
3 the State.

4 Revisor's Note

5 Section 17, Chapter 338, General Laws, Acts of  
6 the 44th Legislature, Regular Session, 1935, refers to  
7 a "municipal corporation, county or other political  
8 subdivision or taxing district of the State." The  
9 revised law omits the references to "municipal  
10 corporation," "county," and "taxing district"  
11 because, in context, the terms are included in the  
12 meaning of "political subdivision" of this state.

13 Revisor's Note  
14 (End of Subchapter)

15 (1) Section 11, Chapter 338, General Laws, Acts  
16 of the 44th Legislature, Regular Session, 1935,  
17 provides that the interest cost of the money received  
18 for an authority bond, computed to maturity, may not  
19 exceed six percent per year. That section also  
20 provides that the interest rate on authority bonds may  
21 not exceed six percent per year. The revised law omits  
22 those provisions as superseded by other law. Chapter  
23 3, Acts of the 61st Legislature, Regular Session, 1969  
24 (Article 717k-2, Vernon's Texas Civil Statutes), now  
25 Chapter 1204, Government Code, established a maximum  
26 interest rate for public securities. Section  
27 1204.006, Government Code, reflecting the 1981  
28 amendment of Article 717k-2 by Section 1, Chapter 61,  
29 Acts of the 67th Legislature, Regular Session, permits  
30 a public agency to issue public securities at any net  
31 effective interest rate of 15 percent or less. Section  
32 1204.006, Government Code, applies to authority bonds  
33 under Sections 1204.001 and 1204.002, Government Code.  
34 The omitted law reads:

35 Sec. 11. . . . [Such bonds may either  
36 be (1) sold for cash, . . . at such price or  
37 prices as the Board shall determine,]  
38 provided that the interest cost of the money

1 received therefor, computed to maturity in  
2 accordance with standard bond tables in  
3 general use by banks and insurance  
4 companies, shall not exceed six (6%) per  
5 centum per annum, . . . [All such bonds  
6 . . . shall . . . bear interest at such rate  
7 or rates] (not exceeding six (6%) per centum  
8 per annum) . . . [as such resolution or  
9 resolutions may provide.] . . .

10 (2) Section 11, Chapter 338, General Laws, Acts  
11 of the 44th Legislature, Regular Session, 1935,  
12 provides that a resolution authorizing the issuance of  
13 bonds by the authority may specify the date or dates of  
14 the bonds and the date of maturity of the bonds. The  
15 revised law omits the provision because it duplicates,  
16 in substance, provisions of Sections 1201.021,  
17 1201.022, and 1201.024, Government Code, which provide  
18 for the characteristics, terms of issuance, and form  
19 of a public security. The omitted law reads:

20 Sec. 11. . . . [All such bonds] . . .  
21 shall bear such date or dates, mature at  
22 such time or times, . . . as such resolution  
23 or resolutions may provide. . . .

24 (3) Section 11, Chapter 338, General Laws, Acts  
25 of the 44th Legislature, Regular Session, 1935,  
26 provides that authority bonds may bear interest at the  
27 rate or rates provided by the bond resolution. The  
28 revised law omits that provision because it duplicates  
29 Section 1201.021(2), Government Code. The omitted law  
30 reads:

31 Sec. 11. . . . [All such bonds . . .  
32 shall] . . . bear interest at such rate or  
33 rates . . . [as such resolution or  
34 resolutions may provide.] . . .

35 (4) Section 11, Chapter 338, General Laws, Acts  
36 of the 44th Legislature, Regular Session, 1935,  
37 provides that interest on authority bonds may be  
38 payable annually or semiannually as provided by the  
39 bond resolution. The revised law omits the provision  
40 because it is superseded by Section 1201.021,  
41 Government Code (enacted as Section 3, Bond Procedures  
42 Act of 1981 (Article 717k-6, Vernon's Texas Civil

1 Statutes)), which provides in part that a public  
2 security may be payable at the times and in the amounts  
3 specified by the governing body of the issuer. The  
4 omitted law reads:

5           Sec. 11. . . . [All such bonds . . .  
6           shall . . . bear interest at such rate or  
7           rates] . . . payable annually or  
8           semiannually, . . . [as such resolution or  
9           resolutions may provide.] . . .

10           (5) Section 11, Chapter 338, General Laws, Acts  
11 of the 44th Legislature, Regular Session, 1935,  
12 provides that authority bonds may be in the  
13 denominations provided by the bond resolution. The  
14 revised law omits that provision because it duplicates  
15 Section 1201.021(1), Government Code. The omitted law  
16 reads:

17           Sec. 11. . . . [All such bonds . . .  
18           shall] . . . be in such denominations,  
19           . . . [as such resolution or resolutions  
20           may provide.] . . .

21           (6) Section 11, Chapter 338, General Laws, Acts  
22 of the 44th Legislature, Regular Session, 1935,  
23 provides that a resolution authorizing the issuance of  
24 bonds by the authority may specify the form of the  
25 bonds. The revised law omits the provision because it  
26 duplicates or is superseded by Sections 1201.021 and  
27 1201.024, Government Code, which provide for the form  
28 and characteristics of a public security. The omitted  
29 law reads:

30           Sec. 11. . . . [All such bonds . . .  
31           shall] . . . be in such form, either coupon  
32           or registered, . . . [as such resolution or  
33           resolutions may provide.] . . .

34           (7) Section 11, Chapter 338, General Laws, Acts  
35 of the 44th Legislature, Regular Session, 1935,  
36 provides that authority bonds may carry registration  
37 privileges as to principal only or as to both principal  
38 and interest and as to exchange for bonds of another  
39 form or denomination. The revised law omits that

1 provision because it duplicates, in substance, Section  
2 1201.022(a)(4), Government Code, and part of Section  
3 1201.024, Government Code. Section 1201.022(a)(4),  
4 Government Code, provides that a public security may  
5 be issued with specified characteristics, on specified  
6 terms, or in a specified manner; that general law is  
7 sufficient authority for authority bonds to be  
8 exchangeable for bonds of another denomination.  
9 Section 1201.024, Government Code, provides that a  
10 public security may be registrable as to principal and  
11 interest or only as to principal and that an issuer may  
12 provide that coupon bonds are exchangeable for  
13 registered bonds and vice versa. The omitted law  
14 reads:

15           Sec. 11. . . . [All such bonds . . .  
16 shall] . . . carry such registration  
17 privileges as to principal only or as to  
18 both principal and interest, and as to  
19 exchange of coupon bonds for registered  
20 bonds or vice versa, and exchange of bonds  
21 of one denomination for bonds of other  
22 denominations, . . . [as such resolution or  
23 resolutions may provide.] . . .

24           (8) Section 11, Chapter 338, General Laws, Acts  
25 of the 44th Legislature, Regular Session, 1935,  
26 provides that a resolution that authorizes the  
27 issuance of authority bonds may specify the manner of  
28 execution of the bonds issued. The revised law omits  
29 that provision because it duplicates, in substance,  
30 Section 1201.026, Government Code, which provides for  
31 execution of a public security. The omitted law reads:

32           Sec. 11. . . . [All such bonds . . .  
33 shall] . . . be executed in such manner and  
34 . . . [as such resolution or resolutions  
35 may provide.] . . .

36           (9) Section 11, Chapter 338, General Laws, Acts  
37 of the 44th Legislature, Regular Session, 1935,  
38 provides that authority bonds may be payable at the  
39 place or places inside or outside the state provided by  
40 the bond resolution. The revised law omits that

1 provision because Section 1201.021(5)(C), Government  
2 Code, provides that a public security may be payable at  
3 a specified place or places. The omitted law reads:

4           Sec. 11. . . . [All such bonds . . .  
5           shall] . . . be payable at such place or  
6           places within or without the State of Texas,  
7           [as such resolution or resolutions may  
8           provide.] . . .

9           (10) Section 11, Chapter 338, General Laws, Acts  
10 of the 44th Legislature, Regular Session, 1935,  
11 provides that before bonds may be sold by the  
12 authority, a certified copy of the proceedings for the  
13 issuance of the bonds and other information must be  
14 submitted to the attorney general; provides that if  
15 the attorney general finds that the bonds have been  
16 issued in accordance with law and approves the bonds,  
17 the attorney general shall execute a certificate to  
18 that effect; requires that the certificate be filed  
19 and recorded in the office of the comptroller;  
20 prohibits the issuance of bonds until they have been  
21 registered by the comptroller; and requires the  
22 comptroller to register the bonds if the attorney  
23 general files with the comptroller the attorney  
24 general's certificate approving the bonds and the  
25 proceedings for the issuance of the bonds. The revised  
26 law omits those provisions as duplicative of or  
27 superseded by Chapter 1202, Government Code, enacted  
28 as Article 3, Chapter 53, Acts of the 70th Legislature,  
29 2nd Called Session, 1987 (Article 717k-8, Vernon's  
30 Texas Civil Statutes). Section 1202.003(a),  
31 Government Code, requires bonds to be submitted to the  
32 attorney general. Section 1202.003(b), Government  
33 Code, provides for approval of the bonds by the  
34 attorney general and requires the attorney general to  
35 submit the approved bonds to the comptroller for  
36 registration. Section 1202.005, Government Code,

1 requires registration of the bonds by the comptroller.

2 The omitted law reads:

3 Sec. 11. . . .

4 Before any bonds shall be sold by the  
5 District, a certified copy of the  
6 proceedings for the issuance thereof,  
7 including the form of such bonds, together  
8 with any other information which the  
9 Attorney General of the State of Texas may  
10 require, shall be submitted to the Attorney  
11 General, and if he shall find that such  
12 bonds have been issued in accordance with  
13 law, and if he shall approve such bonds, he  
14 shall execute a certificate to that effect  
15 which shall be filed in the office of the  
16 Comptroller of the State of Texas and be  
17 recorded in a record kept for that purpose.  
18 No bonds shall be issued until the same  
19 shall have been registered by the  
20 Comptroller, who shall so register the same  
21 if the Attorney General shall have filed  
22 with the Comptroller his certificate  
23 approving the bonds and the proceedings for  
24 the issuance thereof as hereinabove  
25 provided.

26 . . .

27 (11) Section 11, Chapter 338, General Laws, Acts  
28 of the 44th Legislature, Regular Session, 1935,  
29 provides that after approval and registration,  
30 authority bonds are incontestable and binding  
31 "obligation" (presumably meaning "obligations"). The  
32 revised law omits that provision as duplicative of or  
33 impliedly repealed by Section 1202.006, Government  
34 Code, enacted as Section 3.002(d), Chapter 53, Acts of  
35 the 70th Legislature, 2nd Called Session, 1987  
36 (Article 717k-8, Vernon's Texas Civil Statutes).  
37 Section 1202.006, Government Code, provides that after  
38 approval and registration, bonds are incontestable and  
39 binding obligations. The omitted law reads:

40 Sec. 11. . . .

41 All bonds approved by the Attorney  
42 General as aforesaid, and registered by the  
43 Comptroller as aforesaid, and issued in  
44 accordance with the proceedings so  
45 approved, shall be valid and binding  
46 obligation of the District and shall be  
47 incontestable for any cause from and after  
48 the time of such registration.

49 (12) Section 12, Chapter 338, General Laws, Acts  
50 of the 44th Legislature, Regular Session, 1935,



1 said Colorado River Authority are hereby  
2 authorized to be used for the purpose of  
3 paying interest and principal upon any  
4 bonds issued by the Authority for the  
5 development of the District.

6 Sec. 17-c: At the end of each month,  
7 the Assessor and Collector of Taxes of  
8 Coleman County, Texas, shall, on forms to be  
9 furnished by the Comptroller of Public  
10 Accounts, make an itemized report, under  
11 oath, to said Comptroller, showing State ad  
12 valorem taxes collected by him for General  
13 Revenue purposes upon property and from  
14 persons within Coleman County, and  
15 accompany the same with a summarized  
16 statement showing full disposition of all  
17 such State taxes collected. Such Assessor  
18 and Collector shall forward his reports to  
19 the Comptroller of Public Accounts and  
20 shall pay over to the Treasurer of the  
21 Central Colorado River Authority, a State  
22 agency, fifty (50) per cent of all State ad  
23 valorem taxes for General Revenue purposes,  
24 collected by him during said month, under  
25 the provisions of Section 17-a of the Senate  
26 Bill No. 99, Acts of the Regular Session of  
27 the Forty-sixth Legislature, except such  
28 amounts as are allowed by law for assessing  
29 and collecting the same, and shall forward a  
30 duplicate copy of the receipt given to him  
31 by the Treasurer of said Central Colorado  
32 River Authority for such moneys to the  
33 Comptroller of Public Accounts.

34 (2) Sections 20 and 20A, Chapter 338, General  
35 Laws, Acts of the 44th Legislature, Regular Session,  
36 1935, appropriated money to the authority. The revised  
37 law omits those provisions as executed. The omitted  
38 law reads:

39 Sec. 20. There is hereby  
40 appropriated for the use of the District out  
41 of any funds in the State Treasury not  
42 heretofore otherwise appropriated the sum  
43 of Five Thousand (\$5,000.00) Dollars which  
44 may be withdrawn from time to time on  
45 warrant signed by the General Manager and  
46 Treasurer of the District.

47 Sec. 20A. There is hereby  
48 appropriated for the use of the District out  
49 of any funds in the State Treasury not  
50 heretofore otherwise appropriated the sum  
51 of Six Thousand (\$6,000.00) Dollars which  
52 may be withdrawn from time to time on  
53 warrants signed by the General Manager and  
54 Treasurer of the District.

55 (3) Sections 21, 21A, and 21-b, Chapter 338,  
56 General Laws, Acts of the 44th Legislature, Regular  
57 Session, 1935, provide that the act is severable. The  
58 revised law omits those provisions because the same

1 result is produced by the application of Section  
2 311.032(c), Government Code (Code Construction Act),  
3 which provides that a provision of a statute is  
4 severable from each other provision of the statute  
5 that can be given effect. The omitted law reads:

6 Sec. 21. If any provision of this Act  
7 or the application thereof to any person or  
8 circumstance shall be held to be invalid the  
9 remainder of the Act, and the application of  
10 such provision to other persons or  
11 circumstances, shall not be affected  
12 thereby.

13 Sec. 21A. If any of the provisions of  
14 this Act or the application thereof to any  
15 person or circumstance shall be held to be  
16 invalid, the remainder of the Act, and the  
17 application of such provision to other  
18 persons or circumstances, shall not be  
19 affected thereby.

20 Sec. 21-b: If any of the provisions  
21 of this Act or the application thereof to  
22 any person or circumstance shall be held to  
23 be invalid, the remainder of the Act, and  
24 the application of such provision to other  
25 persons or circumstances, shall not be  
26 affected thereby.

27 (4) Sections 22, 22A, and 22-b, Chapter 338,  
28 General Laws, Acts of the 44th Legislature, Regular  
29 Session, 1935, provide short titles for that chapter.  
30 The revised law omits the short titles because Chapter  
31 338 is not a statute of wide application that is  
32 frequently referred to by its short title, and the  
33 heading to this chapter is sufficient to describe the  
34 revised law to the reader. The omitted law reads:

35 Sec. 22. This act may be cited as the  
36 "Central Colorado River Authority Act."

37 Sec. 22A. This Act may be cited as  
38 "Amendment to the Central Colorado River  
39 Authority Act."

40 Sec. 22-b: This Act may be cited as  
41 "Amendment to the Central Colorado River  
42 Authority Act," as amended by Chapter 341,  
43 Acts of the Regular Session of the  
44 Forty-fifth Legislature.

45 (5) Section 5, Chapter 493, Acts of the 81st  
46 Legislature, Regular Session, 2009, recites  
47 legislative findings regarding procedural  
48 requirements for legislation affecting the authority  
49 under the constitution and other laws and rules,

1 including proper legal notice and the filing of  
2 recommendations. The revised law omits those  
3 provisions as executed. The omitted law reads:

4           Sec. 5. (a) The legal notice of the  
5 intention to introduce this Act, setting  
6 forth the general substance of this Act, has  
7 been published as provided by law, and the  
8 notice and a copy of this Act have been  
9 furnished to all persons, agencies,  
10 officials, or entities to which they are  
11 required to be furnished under Section 59,  
12 Article XVI, Texas Constitution, and  
13 Chapter 313, Government Code.

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

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

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

30           SECTION 1.05. Subtitle H, Title 6, Special District Local  
31 Laws Code, is amended by adding Chapters 8847, 8853, 8858, 8861,  
32 8862, 8863, 8864, 8865, 8866, 8867, 8868, 8869, and 8870 to read as  
33 follows:

34           CHAPTER 8847. PINEYWOODS GROUNDWATER CONSERVATION DISTRICT

35                   SUBCHAPTER A. GENERAL PROVISIONS

36	Sec. 8847.001.	DEFINITIONS . . . . .	1063
37	Sec. 8847.002.	NATURE OF DISTRICT . . . . .	1064
38	Sec. 8847.003.	FINDINGS OF PUBLIC USE AND BENEFIT . . . . .	1064
39	Sec. 8847.004.	DISTRICT TERRITORY . . . . .	1065
40	Sec. 8847.005.	ADDITION OF ADJACENT COUNTY TO DISTRICT . . .	1066
41	Sec. 8847.006.	LANDOWNERS' RIGHTS . . . . .	1067

42           [Sections 8847.007-8847.050 reserved for expansion]

43                   SUBCHAPTER B. BOARD OF DIRECTORS

44	Sec. 8847.051.	COMPOSITION OF BOARD; TERMS . . . . .	1068
45	Sec. 8847.052.	APPOINTMENT OF DIRECTORS BY INITIAL	
46		COUNTIES . . . . .	1070



1 Revised Law

2 Sec. 8847.002. NATURE OF DISTRICT. The district is a  
3 groundwater conservation district in Angelina and Nacogdoches  
4 Counties created under and essential to accomplish the purposes of  
5 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,  
6 R.S., Ch. 1330, Secs. 1(a) (part), (b).)

7 Source Law

8 Sec. 1. (a) A groundwater conservation  
9 district, to be known as the Pineywoods Groundwater  
10 Conservation District, is created in Angelina and  
11 Nacogdoches counties . . . .  
12 (b) The district is created under and is  
13 essential to accomplish the purposes of Section 59,  
14 Article XVI, Texas Constitution.

15 Revisor's Note

16 (1) Section 1(a), Chapter 1330, Acts of the 77th  
17 Legislature, Regular Session, 2001, refers to a  
18 confirmation election. Because the confirmation  
19 election has already been held, the revised law omits  
20 the provision as executed. The omitted law reads:

21 (a) . . . subject to approval at a  
22 confirmation election held under Section 10  
23 of this Act. . . .

24 (2) Section 1(a), Chapter 1330, Acts of the 77th  
25 Legislature, Regular Session, 2001, provides that the  
26 district is a governmental agency and body politic and  
27 corporate. The revised law omits that provision  
28 because it duplicates a portion of Section 59(b),  
29 Article XVI, Texas Constitution, which provides that a  
30 conservation and reclamation district is a  
31 governmental agency and body politic and corporate.  
32 The omitted law reads:

33 (a) . . . The district is a  
34 governmental agency and body politic and  
35 corporate.

36 Revised Law

37 Sec. 8847.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
38 district is created to serve a public use and benefit.

39 (b) All land and other property included in the district

1 will benefit from the works and projects accomplished by the  
2 district under the powers conferred by Section 59, Article XVI,  
3 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1330, Sec. 4.)

4 Source Law

5 Sec. 4. All of the land and other property  
6 included within the boundaries of the district will be  
7 benefited by the works and projects that are to be  
8 accomplished by the district under powers conferred by  
9 Section 59, Article XVI, Texas Constitution. The  
10 district is created to serve a public use and benefit.

11 Revised Law

12 Sec. 8847.004. DISTRICT TERRITORY. The district's  
13 boundaries are coextensive with the boundaries of Angelina and  
14 Nacogdoches Counties unless the district's territory has been  
15 modified under:

- 16 (1) Section 8847.005;  
17 (2) Subchapter J or K, Chapter 36, Water Code; or  
18 (3) other law. (Acts 77th Leg., R.S., Ch. 1330, Sec. 3;  
19 New.)

20 Source Law

21 Sec. 3. The boundaries of the district are  
22 coextensive with the boundaries of Angelina and  
23 Nacogdoches counties.

24 Revisor's Note

25 Section 3, Chapter 1330, Acts of the 77th  
26 Legislature, Regular Session, 2001, contains a  
27 description of the territory of the district. That  
28 description may not be accurate on the effective date  
29 of the revised law or at the time of a later reading  
30 because the district's boundaries are subject to  
31 change. For the reader's convenience, the revised law  
32 adds references to the authority to change the  
33 district's territory under Section 8847.005 (derived  
34 from Section 11, Chapter 1330, Acts of the 77th  
35 Legislature, Regular Session, 2001), and under  
36 Subchapter J or K, Chapter 36, Water Code, applicable  
37 to groundwater conservation districts. The revised law  
38 also adds a reference to the general authority of the

1 legislature to enact other laws under which the  
2 district's territory may change.

3 Revised Law

4 Sec. 8847.005. ADDITION OF ADJACENT COUNTY TO DISTRICT.

5 (a) An adjacent county may petition to join the district by  
6 resolution of the commissioners court of the county.

7 (b) If, after a hearing on the resolution, the board finds  
8 that the addition of the county would benefit the district and the  
9 county to be added, the board by resolution may approve the addition  
10 of the county to the district.

11 (c) The addition of a county to the district under this  
12 section is not final until ratified by a majority vote of the voters  
13 in the county to be added voting in an election held for that  
14 purpose.

15 (d) The ballots for the election shall be printed to provide  
16 for voting for or against the proposition: "The inclusion of  
17 \_\_\_\_\_ County in the Pineywoods Groundwater Conservation  
18 District." (Acts 77th Leg., R.S., Ch. 1330, Secs. 11(a), (b), (c),  
19 (d).)

20 Source Law

21 Sec. 11. (a) An adjacent county that wishes to  
22 join the district shall petition the district by  
23 resolution of the commissioners court of the county.

24 (b) If the board finds after a hearing on the  
25 resolution that the addition of the county would  
26 benefit the district and the county to be added, the  
27 board by resolution may approve the addition of the  
28 county to the district.

29 (c) The addition of a county to the district  
30 under this section is not final until ratified by a  
31 majority vote of the qualified voters in the county to  
32 be added voting in an election held for that purpose.

33 (d) The ballots for the election shall be  
34 printed to provide for voting for or against the  
35 proposition: "The inclusion of \_\_\_\_\_ County in the  
36 Pineywoods Groundwater Conservation District."

37 Revisor's Note

38 (1) Section 11, Chapter 1330, Acts of the 77th  
39 Legislature, Regular Session, 2001, refers to a  
40 majority vote of "qualified voters" of the county to be  
41 added. The revised law omits "qualified" as  
42 unnecessary in this context because Chapter 11,

1 Election Code, governs eligibility to vote in an  
2 election in this state and allows only "qualified"  
3 voters who are residents of the territory covered by  
4 the election to vote in an election.

5 (2) Section 11(e), Chapter 1330, Acts of the  
6 77th Legislature, Regular Session, 2001, provides that  
7 notice of an election to add territory to the district,  
8 the holding of the election, and the qualifications of  
9 voters in the election are governed by the Election  
10 Code. The revised law omits the provision because it  
11 duplicates Section 1.002, Election Code, which  
12 provides that the Election Code applies to all  
13 elections held in this state, and Section 36.059,  
14 Water Code, applicable to the district under Section  
15 8847.101 of this chapter and Section 36.001(1), Water  
16 Code. The omitted law reads:

17 (e) The notice of the election, the  
18 manner and the time of giving the notice,  
19 the manner of holding the election, and the  
20 qualifications of the voters are governed  
21 by the Election Code.

22 Revised Law

23 Sec. 8847.006. LANDOWNERS' RIGHTS. The rights of  
24 landowners and their lessees and assigns in groundwater within the  
25 district are recognized. Nothing in this chapter may be construed  
26 to deprive or divest the landowners or their lessees or assigns of  
27 those rights, subject to district rules. (Acts 77th Leg., R.S., Ch.  
28 1330, Sec. 9.)

29 Source Law

30 Sec. 9. The rights of landowners and their  
31 lessees and assigns in groundwater within the district  
32 are recognized. Nothing in this Act shall be construed  
33 to deprive or divest the owners or their lessees and  
34 assigns of their rights, subject to district rules.

35 Revisor's Note  
36 (End of Subchapter)

37 (1) Section 5(a), Chapter 1330, Acts of the 77th  
38 Legislature, Regular Session, 2001, provides that  
39 Chapter 49, Water Code, does not apply to the district.

1 The revised law omits the provision as unnecessary.

2 Section 49.002(b), Water Code, provides that  
3 Chapter 49 does not apply to a district governed by  
4 Chapter 36 unless a special law creating the district  
5 or amending the law creating the district states that  
6 Chapter 49 applies to that district. The district is  
7 governed by Chapter 36, Water Code, under the portion  
8 of Section 5(a), Chapter 1330, Acts of the 77th  
9 Legislature, Regular Session, 2001, revised in this  
10 chapter as Section 8847.101, and under Section  
11 36.001(1), Water Code. Because the district is  
12 governed by Chapter 36, Water Code, and the special law  
13 creating the district does not state that Chapter 49 of  
14 that code applies to the district, Chapter 49 does not  
15 apply to the district. The omitted law reads:

16 (a) . . . Chapter 49, Water Code,  
17 does not apply to the district. . . .

18 (2) Section 5(a), Chapter 1330, Acts of the 77th  
19 Legislature, Regular Session, 2001, provides that the  
20 act prevails over general law in case of a conflict or  
21 other inconsistency. The revised law omits the  
22 provision because it substantively duplicates Section  
23 311.026, Government Code (Code Construction Act). The  
24 omitted law reads:

25 (a) . . . This Act prevails over any  
26 provision of general law that is in conflict  
27 or inconsistent with this Act.

28 [Sections 8847.007-8847.050 reserved for expansion]

29 SUBCHAPTER B. BOARD OF DIRECTORS

30 Revised Law

31 Sec. 8847.051. COMPOSITION OF BOARD; TERMS. (a) Except as  
32 provided by Section 8847.053, the district is governed by a board of  
33 seven directors appointed under Section 8847.052.

34 (b) Directors serve three-year terms.

35 (c) A director may serve consecutive terms. (Acts 77th  
36 Leg., R.S., Ch. 1330, Secs. 6(a) (part), (b) (part), (f).)



1 chapter and Section 36.001(1), Water Code. The  
2 omitted law reads:

3 (d) Each director must qualify to  
4 serve as a director in the manner provided  
5 by Section 36.055, Water Code.

6 (4) Section 6(e), Chapter 1330, Acts of the 77th  
7 Legislature, Regular Session, 2001, provides that a  
8 director serves until a successor has qualified. The  
9 revised law omits the provision because it duplicates  
10 Section 17, Article XVI, Texas Constitution, which  
11 provides that an officer in this state continues to  
12 perform the officer's duties until a successor has  
13 qualified. The omitted law reads:

14 (e) A director serves until the  
15 director's successor has qualified.

16 Revised Law

17 Sec. 8847.052. APPOINTMENT OF DIRECTORS BY INITIAL  
18 COUNTIES. (a) The Angelina County Commissioners Court shall  
19 appoint two directors. One director shall represent the rural water  
20 and utilities and small municipal water supply interests. The other  
21 director shall represent the large industrial groundwater supply  
22 interests of the county.

23 (b) The Nacogdoches County Commissioners Court shall  
24 appoint two directors. One director shall represent the rural water  
25 and utilities and small municipal water supply interests. The other  
26 director shall represent the forestry or agricultural groundwater  
27 supply interests of the county.

28 (c) The Lufkin City Council shall appoint one director.

29 (d) The Nacogdoches City Council shall appoint one  
30 director.

31 (e) The Angelina County Commissioners Court and the  
32 Nacogdoches County Commissioners Court shall jointly appoint one  
33 director to represent the forestry, agricultural, or landowner  
34 groundwater interests of both counties. (Acts 77th Leg., R.S., Ch.  
35 1330, Secs. 7(a), (b), (c), (d), (e).)

1 Source Law

2 Sec. 7. (a) The Angelina County Commissioners  
3 Court shall appoint two directors. One director shall  
4 represent the rural water and utilities and small  
5 municipal water supply interests, and one director  
6 shall represent the large industrial groundwater  
7 supply interests of the county.

8 (b) The Nacogdoches County Commissioners Court  
9 shall appoint two directors. One director shall  
10 represent the rural water and utilities and small  
11 municipal water supply interests, and one director  
12 shall represent the forestry or agricultural  
13 groundwater supply interests of the county.

14 (c) The Lufkin City Council shall appoint one  
15 director.

16 (d) The Nacogdoches City Council shall appoint  
17 one director.

18 (e) The Angelina County Commissioners Court and  
19 the Nacogdoches County Commissioners Court shall  
20 jointly appoint one director to represent the  
21 forestry, agricultural, or landowner groundwater  
22 interests of both counties.

23 Revised Law

24 Sec. 8847.053. APPOINTMENT OF DIRECTORS BY ADDITIONAL  
25 COUNTIES. When a county is added to the district, the board may  
26 change the number of directors so that an equal number of directors  
27 are appointed from each county and one director is appointed  
28 jointly by the counties. (Acts 77th Leg., R.S., Ch. 1330, Sec. 6(a)  
29 (part).)

30 Source Law

31 (a) . . . When a county is added to the district,  
32 the board may change the number of directors so that an  
33 equal number of directors is appointed from each  
34 county and one director is appointed jointly by the  
35 counties.

36 Revised Law

37 Sec. 8847.054. BOARD VACANCY. If there is a vacancy on the  
38 board, the governing body of the entity that appointed the director  
39 who vacated the office shall appoint a director to serve the  
40 remainder of the term. (Acts 77th Leg., R.S., Ch. 1330, Sec. 6(g).)

41 Source Law

42 (g) If there is a vacancy on the board, the  
43 governing body of the entity that appointed the  
44 director who vacated the office shall appoint a  
45 director to serve the remainder of the term.

46 Revised Law

47 Sec. 8847.055. COMPENSATION; EXPENSES. (a) A director is  
48 not entitled to receive compensation for serving as a director.

1 (b) A director may be reimbursed for actual, reasonable  
2 expenses incurred in discharging official duties. (Acts 77th Leg.,  
3 R.S., Ch. 1330, Sec. 6(h).)

4 Source Law

5 (h) Directors are not entitled to receive  
6 compensation for serving as a director but may be  
7 reimbursed for actual, reasonable expenses incurred in  
8 the discharge of official duties.

9 Revised Law

10 Sec. 8847.056. VOTE REQUIRED FOR BOARD ACTION. A majority  
11 vote of a quorum of the board is required for board action. If there  
12 is a tie vote, the proposed action fails. (Acts 77th Leg., R.S.,  
13 Ch. 1330, Sec. 6(i).)

14 Source Law

15 (i) A majority vote of a quorum is required for  
16 board action. If there is a tie vote, the proposed  
17 action fails.

18 Revisor's Note  
19 (End of Subchapter)

20 (1) Section 7(f), Chapter 1330, Acts of the 77th  
21 Legislature, Regular Session, 2001, provides for the  
22 number of directors if only one of the two initial  
23 counties confirmed the district. The revised law omits  
24 this provision as unnecessary because both initial  
25 counties confirmed the district. (See Revisor's Note  
26 (1) to Section 8847.002 and Revisor's Note (3) below.)  
27 The omitted law reads:

28 (f) If the creation of the district  
29 is confirmed at a confirmation election  
30 under Section 10 of this Act in only one of  
31 the counties:

32 (1) the directors appointed  
33 from the county in which the creation of the  
34 district is not confirmed and the director  
35 appointed jointly by the two commissioners  
36 courts are not eligible to serve as  
37 directors of the district; and

38 (2) the commissioners court and  
39 the specified city council in the county in  
40 which the creation of the district is  
41 confirmed shall jointly appoint two  
42 additional directors, at least one of whom  
43 must represent the forestry, agricultural,  
44 or landowner groundwater interests of the  
45 county.

46 (2) Section 8, Chapter 1330, Acts of the 77th

1 Legislature, Regular Session, 2001, requires an  
2 organizational meeting of the initial directors. The  
3 revised law omits the provision as executed. The  
4 omitted law reads:

5           Sec. 8. As soon as practicable after  
6 all the initial directors are appointed as  
7 provided in this Act, a majority of the  
8 directors shall convene the organizational  
9 meeting of the district at a location within  
10 the district agreeable to a majority of the  
11 directors at which time the directors will  
12 take office. If no location can be agreed  
13 upon, the organizational meeting of the  
14 directors shall be at the Nacogdoches  
15 County Courthouse.

16           (3) Section 10, Chapter 1330, Acts of the 77th  
17 Legislature, Regular Session, 2001, provides  
18 procedures for holding elections to confirm the  
19 district's creation and provides for the dissolution  
20 of the district and the expiration of the act if the  
21 creation of the district is not confirmed at  
22 confirmation elections. The revised law omits the  
23 provision as executed because the creation of the  
24 district has been confirmed. The omitted law reads:

25           Sec. 10. (a) The initial board of  
26 directors shall call and hold an election on  
27 the same date in each county within the  
28 district to confirm the creation of the  
29 district.

30           (b) Except as provided by this  
31 section, a confirmation election must be  
32 conducted as provided by Sections 36.017,  
33 36.018, and 36.019, Water Code, and Section  
34 41.001, Election Code.

35           (c) If the majority of qualified  
36 voters in a county who vote in the election  
37 vote to confirm the creation of the  
38 district, that county is included in the  
39 district. If the majority of qualified  
40 voters in a county who vote in the election  
41 vote not to confirm the creation of the  
42 district, that county is excluded from the  
43 district.

44           (d) If the creation of the district  
45 is not confirmed by an election held under  
46 this section before the second anniversary  
47 of the effective date of this Act, the  
48 district is dissolved and this Act expires  
49 on that date.

50           [Sections 8847.057-8847.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Revised Law

3 Sec. 8847.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
4 AND DUTIES. Except as provided by this subchapter and Subchapter D,  
5 the district has the rights, powers, privileges, functions, and  
6 duties provided by the general law of this state, including Chapter  
7 36, Water Code, applicable to groundwater conservation districts  
8 created under Section 59, Article XVI, Texas Constitution. (Acts  
9 77th Leg., R.S., Ch. 1330, Sec. 5(a) (part).)

10 Source Law

11 Sec. 5. (a) Except as provided by this  
12 section, the district has all of the rights, powers,  
13 privileges, authority, functions, and duties provided  
14 by the general law of this state, including Chapter 36,  
15 Water Code, applicable to groundwater conservation  
16 districts created under Section 59, Article XVI, Texas  
17 Constitution. . . .

18 Revisor's Note

19 Section 5(a), Chapter 1330, Acts of the 77th  
20 Legislature, Regular Session, 2001, refers to the  
21 "rights, powers, privileges, [and] authority" of the  
22 district. The revised law omits the reference to  
23 "authority" because, in context, "authority" is  
24 included in the meaning of "rights, powers, [and]  
25 privileges."

26 Revised Law

27 Sec. 8847.102. TRANSFER OF GROUNDWATER OUT OF DISTRICT.

28 (a) The district by rule may require a person to obtain a permit  
29 from the district for the transfer of groundwater out of the  
30 district consistent with Section 36.122, Water Code, and may  
31 regulate the terms on which a permit holder under those rules may  
32 conduct such a transfer.

33 (b) A retail public utility as defined by Section 13.002,  
34 Water Code, is not required to obtain a permit to transfer  
35 groundwater out of the district if:

36 (1) the source of the water is one or more wells  
37 located within the district; and

1 (2) the water is used by the retail public utility to  
2 provide retail water utility service, as defined by Section 13.002,  
3 Water Code, in a service area located in a county adjacent to the  
4 district. (Acts 77th Leg., R.S., Ch. 1330, Sec. 5(b).)

5 Source Law

6 (b) The district by rule may require a person to  
7 obtain a permit from the district for the transfer of  
8 groundwater out of the district consistent with  
9 Section 36.122, Water Code, and may regulate the terms  
10 on which a permit holder under those rules may conduct  
11 such a transfer. A retail public utility as defined by  
12 Section 13.002, Water Code, is not required to obtain a  
13 permit to transfer groundwater out of the district if:

14 (1) the source of the water is one or more  
15 wells located within the district; and

16 (2) the water is used by the retail public  
17 utility to provide retail water utility service, as  
18 defined by Section 13.002, Water Code, in a service  
19 area located in a county adjacent to the district.

20 Revised Law

21 Sec. 8847.103. WELLS EXEMPT FROM REGULATION. (a) The  
22 district may not require a permit for a well incapable of producing  
23 more than 25,000 gallons of groundwater a day.

24 (b) A well meeting the criteria established under Section  
25 36.117, Water Code, including a well used for dewatering and  
26 monitoring in the production of coal and lignite, is exempt from  
27 permit requirements, regulations, and fees imposed by the district.  
28 (Acts 77th Leg., R.S., Ch. 1330, Secs. 5(c), (f).)

29 Source Law

30 (c) The district may not require a permit for a  
31 well incapable of producing more than 25,000 gallons  
32 of groundwater a day.

33 (f) A well meeting the criteria established  
34 under Section 36.117, Water Code, including a well  
35 used for dewatering and monitoring in the production  
36 of coal and lignite, is exempt from permit  
37 requirements, regulations, and fees imposed by the  
38 district.

39 Revised Law

40 Sec. 8847.104. LIMIT ON PURCHASE OF GROUNDWATER RIGHTS.  
41 The district may not purchase groundwater rights unless the  
42 purchased rights are acquired for conservation purposes and are  
43 permanently held in trust not to be produced. (Acts 77th Leg., R.S.,  
44 Ch. 1330, Sec. 5(g) (part).)



1 (2) issue and sell any bonds or notes that  
2 pledge revenue derived from taxation in the name of the  
3 district; or  
4 . . .

5 Revised Law

6 Sec. 8847.153. PERMIT FEES. (a) The board by rule may  
7 impose a reasonable fee on each well for which a permit is issued by  
8 the district and that is not exempt from regulation by the district.

9 (b) The fee must be based on the amount of water to be  
10 withdrawn from the well.

11 (c) The fee may not exceed \$0.025 per thousand gallons of  
12 groundwater withdrawn for any purpose. (Acts 77th Leg., R.S., Ch.  
13 1330, Sec. 5(e).)

14 Source Law

15 (e) The board of directors of the district by  
16 rule may impose reasonable fees on each well for which  
17 a permit is issued by the district and which is not  
18 exempt from regulation by the district. The fee shall  
19 be based on the amount of water to be withdrawn from  
20 the well and may not exceed \$0.025 per thousand gallons  
21 for groundwater withdrawn for any purpose.

22 Revisor's Note  
23 (End of Chapter)

24 Section 12, Chapter 1330, Acts of the 77th  
25 Legislature, Regular Session, 2001, recites  
26 legislative findings regarding procedural  
27 requirements for legislation affecting the district  
28 under the constitution and the laws of this state,  
29 including proper legal notice and the filing of  
30 recommendations. The revised law omits those  
31 provisions as executed. The omitted law reads:

32 Sec. 12. (a) The proper and legal  
33 notice of the intention to introduce this  
34 Act, setting forth the general substance of  
35 this Act, has been published as provided by  
36 law, and the notice and a copy of this Act  
37 have been furnished to all persons,  
38 agencies, officials, or entities to which  
39 they are required to be furnished by the  
40 constitution and the laws of this state,  
41 including the governor, who has submitted  
42 the notice and Act to the Texas Natural  
43 Resource Conservation Commission.

44 (b) The Texas Natural Resource  
45 Conservation Commission has filed its  
46 recommendations relating to this Act with  
47 the governor, lieutenant governor, and  
48 speaker of the house of representatives

1 within the required time.  
2 (c) All the requirements of the  
3 constitution and the laws of this state and  
4 rules and procedures of the legislature  
5 with respect to the notice, introduction,  
6 and passage of this Act are fulfilled and  
7 accomplished.

8 CHAPTER 8853. KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

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11 Sec. 8853.002. NATURE OF DISTRICT . . . . . 1079  
12 Sec. 8853.003. FINDINGS OF PUBLIC USE AND BENEFIT . . . . . 1080  
13 Sec. 8853.004. DISTRICT TERRITORY . . . . . 1081

14 [Sections 8853.005-8853.050 reserved for expansion]

15 SUBCHAPTER B. BOARD OF DIRECTORS

16 Sec. 8853.051. COMPOSITION OF BOARD; TERMS . . . . . 1082  
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23 [Sections 8853.058-8853.100 reserved for expansion]

24 SUBCHAPTER C. POWERS

25 Sec. 8853.101. GROUNDWATER CONSERVATION DISTRICT  
26 POWERS AND DUTIES . . . . . 1093

27 [Sections 8853.102-8853.150 reserved for expansion]

28 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

29 Sec. 8853.151. LIMITATION ON TAXATION . . . . . 1094

30 CHAPTER 8853. KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT

31 SUBCHAPTER A. GENERAL PROVISIONS

32 Revised Law

33 Sec. 8853.001. DEFINITIONS. In this chapter:

- 34 (1) "Board" means the district's board of directors.  
35 (2) "Director" means a board member.  
36 (3) "District" means the Kenedy County Groundwater  
37 Conservation District. (Acts 78th Leg., R.S., Ch. 1152, Sec. 1; Ch.  
38 1162, Sec. 1; New.)



1 Article XVI, Texas Constitution.

2 Revisor's Note

3 (1) Section 2(a), Chapter 1152, and Section  
4 2(a), Chapter 1162, Acts of the 78th Legislature,  
5 Regular Session, 2003, refer to a confirmation  
6 election. Because the confirmation election has  
7 already been held, the revised law omits those  
8 provisions as executed. The omitted law reads:

9 [Acts 78th Leg., R.S., Ch. 1152, Sec. 2]

10 (a) . . . subject to approval at a  
11 confirmation election under Section 10 of  
12 this Act.

13 [Acts 78th Leg., R.S., Ch. 1162, Sec. 2]

14 (a) . . . subject to approval at a  
15 confirmation election under Section 9 of  
16 this Act.

17 (2) Section 2(b), Chapter 1152, and Section  
18 2(b), Chapter 1162, Acts of the 78th Legislature,  
19 Regular Session, 2003, provide that the district is a  
20 governmental agency. The revised law omits those  
21 provisions because they duplicate a portion of Section  
22 59(b), Article XVI, Texas Constitution, which provides  
23 that a conservation and reclamation district is a  
24 governmental agency.

25 Revised Law

26 Sec. 8853.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
27 district is created to serve a public use and benefit.

28 (b) All land and other property included in the district  
29 will benefit from the works and projects accomplished by the  
30 district under the powers conferred by Section 59, Article XVI,  
31 Texas Constitution. (Acts 78th Leg., R.S., Ch. 1152, Secs. 3(a),  
32 (c); Ch. 1162, Secs. 3(a), (c).)

33 Source Law

34 [Acts 78th Leg., R.S., Ch. 1152]

35 Sec. 3. (a) The district is created to serve a  
36 public use and benefit.

37 (c) All of the land and other property included  
38 within the boundaries of the district will be  
39 benefited by the works and projects that are to be  
40 accomplished by the district under powers conferred by  
41 Section 59, Article XVI, Texas Constitution.

1 [Acts 78th Leg., R.S., Ch. 1162]

2 Sec. 3. (a) The district is created to serve a  
3 public use and benefit.

4 (c) All of the land and other property included  
5 within the boundaries of the district will be  
6 benefited by the works and projects that are to be  
7 accomplished by the district under powers conferred by  
8 Section 59, Article XVI, Texas Constitution.

9 Revised Law

10 Sec. 8853.004. DISTRICT TERRITORY. (a) The district is  
11 composed of the territory described by Section 4, Chapter 1152,  
12 Acts of the 78th Legislature, Regular Session, 2003, as that  
13 territory may have been modified under:

14 (1) Subchapter J or K, Chapter 36, Water Code; or

15 (2) other law.

16 (b) The boundaries and field notes of the district form a  
17 closure. (Acts 78th Leg., R.S., Ch. 1152, Sec. 4(f); New.)

18 Source Law

19 (f) The legislature finds that the boundaries  
20 and field notes of the district form a closure.

21 Revisor's Note

22 (1) Section 4, Chapter 1152, and Section 4,  
23 Chapter 1162, Acts of the 78th Legislature, Regular  
24 Session, 2003, provide for different boundaries for  
25 the district. The two provisions are irreconcilable.  
26 Under Section 311.025, Government Code (Code  
27 Construction Act), if statutes are irreconcilable, the  
28 statute latest in date of enactment prevails. The date  
29 of enactment is the date on which the last legislative  
30 vote is taken on the bill enacting the statute. The  
31 last legislative vote on Chapter 1162 was taken on May  
32 28, 2003. The last legislative vote on Chapter 1152  
33 was taken on May 29, 2003. Accordingly, the revised  
34 law references the territory described by Section 4,  
35 Chapter 1152, and omits the description contained in  
36 Section 4, Chapter 1162. The omitted law reads:

37 Sec. 4. The boundaries of the  
38 district are coextensive with the  
39 boundaries of Kenedy County, Texas.



1 Source Law

2 [Acts 78th Leg., R.S., Ch. 1152]  
3 Sec. 6. (a) The district is governed by a board  
4 of five directors.

5 (d) Permanent directors serve staggered  
6 four-year terms.

7 [Acts 78th Leg., R.S., Ch. 1162]  
8 Sec. 6. (a) The district is governed by a board  
9 of five directors.

10 (d) Permanent directors serve staggered  
11 four-year terms.

12 Revisor's Note

13 (1) Section 4(a), Chapter 893, Acts of the 81st  
14 Legislature, Regular Session, 2009, provides that the  
15 act applies only to directors elected or appointed on  
16 or after the effective date of the act. The revised  
17 law omits the section as unnecessary because Section  
18 311.022, Government Code, provides a presumption that  
19 a statute will be prospective in its operation. The  
20 omitted law reads:

21 Sec. 4. (a) The change in law made by  
22 this Act applies only to a director elected  
23 or appointed to serve on the board of  
24 directors of the Kenedy County Groundwater  
25 Conservation District on or after the  
26 effective date of this Act.

27 (2) Section 4(b), Chapter 893, Acts of the 81st  
28 Legislature, Regular Session, 2009, provides  
29 transition language for the terms of directors in  
30 office on the effective date of the act (June 19,  
31 2009). The revised law omits the section as executed.  
32 The omitted law reads:

33 (b) The change in law made by this Act  
34 does not affect the term of office of a  
35 director serving on the board of directors  
36 of the Kenedy County Groundwater  
37 Conservation District on the effective date  
38 of this Act.

39 (3) Section 6(d), Chapter 1152, and Section  
40 6(d), Chapter 1162, Acts of the 78th Legislature,  
41 Regular Session, 2003, refer to "[p]ermanent"  
42 directors. The revised law omits "[p]ermanent."

1 Section 6, Chapter 1152, and Section 6, Chapter 1162,  
2 refer to "temporary," "initial," and "permanent"  
3 directors to distinguish between the original  
4 "temporary" directors, the "initial" directors who  
5 immediately succeeded the "temporary" directors after  
6 the first election of directors, and subsequently  
7 serving "permanent" directors. For the reasons stated  
8 in Revisor's Note (1) at the end of this subchapter,  
9 the revised law omits provisions regarding "temporary"  
10 and "initial" directors. It is therefore no longer  
11 necessary to distinguish between "temporary,"  
12 "initial," and "permanent" directors, and the revised  
13 law is drafted accordingly.

14 (4) Section 6(e), Chapter 1152, and Section  
15 6(e), Chapter 1162, Acts of the 78th Legislature,  
16 Regular Session, 2003, provide that a director must  
17 qualify to serve in the manner provided by Section  
18 36.055, Water Code. The revised law omits those  
19 provisions because Section 36.055, Water Code, applies  
20 to the district under Section 8853.101 of this chapter  
21 and Section 36.001(1), Water Code. The omitted law  
22 reads:

23 [Acts 78th Leg., R.S., Ch. 1152, Sec. 6]  
24 (e) Each director must qualify to  
25 serve as director in the manner provided by  
26 Section 36.055, Water Code.

27 [Acts 78th Leg., R.S., Ch. 1162, Sec. 6]  
28 (e) Each director must qualify to  
29 serve as director in the manner provided by  
30 Section 36.055, Water Code.

31 (5) Section 6(f), Chapter 1152, Acts of the 78th  
32 Legislature, Regular Session, 2003, provides that a  
33 director serves until a successor has qualified. The  
34 revised law omits that provision because it duplicates  
35 Section 17, Article XVI, Texas Constitution, which  
36 provides that an officer in this state continues to  
37 perform the officer's official duties until a

1 successor has qualified. The omitted law reads:

2 (f) A director serves until the  
3 director's successor has qualified.

4 Revised Law

5 Sec. 8853.052. ELECTION OF DIRECTORS. (a) The district is  
6 divided into five single-member districts for electing directors.

7 (b) One director is elected from each single-member  
8 district. (Acts 78th Leg., R.S., Ch. 1152, Secs. 9A(a) (part), (d);  
9 Ch. 1162, Secs. 8A(a) (part), (d).)

10 Source Law

11 [Acts 78th Leg., R.S., Ch. 1152]

12 Sec. 9A. (a) As soon as practicable after the  
13 effective date of the Act by which this section is  
14 enacted into law, the board shall:

15 (1) divide the district into five  
16 single-member districts for electing directors; and  
17 . . . .

18 (d) One director shall be elected from each  
19 single-member district.

20 [Acts 78th Leg., R.S., Ch. 1162]

21 Sec. 8A. (a) As soon as practicable after the  
22 effective date of the Act by which this section is  
23 enacted into law, the board shall:

24 (1) divide the district into five  
25 single-member districts for electing directors; and  
26 . . . .

27 (d) One director shall be elected from each  
28 single-member district.

29 Revisor's Note

30 Section 9A(a)(1), Chapter 1152, and Section  
31 8A(a)(1), Chapter 1162, Acts of the 78th Legislature,  
32 Regular Session, 2003, provide that, as soon as  
33 practicable after the effective dates of those acts,  
34 the board shall divide the district into five  
35 single-member districts for electing directors. The  
36 revised law substitutes "[t]he district is divided  
37 into five single-member districts for electing  
38 directors" for those provisions because the  
39 requirement that the board divide the district into  
40 the single-member districts is executed.

41 Revised Law

42 Sec. 8853.053. ELECTION DATE. Each even-numbered year, on

1 the uniform election date in May or another date authorized by law,  
2 the appropriate number of directors shall be elected. (Acts 78th  
3 Leg., R.S., Ch. 1152, Sec. 11(b); Ch. 1162, Sec. 10(b).)

4 Source Law

5 [Acts 78th Leg., R.S., Ch. 1152, Sec. 11]

6 (b) On the first Saturday in May of each  
7 subsequent even-numbered year following the election,  
8 the appropriate number of directors shall be elected.

9 [Acts 78th Leg., R.S., Ch. 1162, Sec. 10]

10 (b) On the first Saturday in May of each  
11 subsequent even-numbered year following the election,  
12 the appropriate number of directors shall be elected.

13 Revisor's Note

14 (1) Section 11(a), Chapter 1152, and Section  
15 10(a), Chapter 1162, Acts of the 78th Legislature,  
16 Regular Session, 2003, prescribe the election date for  
17 the first directors' election following the  
18 confirmation election. Because that first election of  
19 directors has been held, the revised law omits those  
20 provisions as executed. The omitted law reads:

21 [Acts 78th Leg., R.S., Ch. 1152]

22 Sec. 11. (a) On the first Saturday  
23 in May of the first even-numbered year after  
24 the year in which the district is authorized  
25 to be created at a confirmation election, an  
26 election shall be held in the district for  
27 the election of two directors to replace the  
28 two initial directors serving shorter terms  
29 from the confirmation election.

30 [Acts 78th Leg., R.S., Ch. 1162]

31 Sec. 10. (a) On the first Saturday  
32 in May of the first even-numbered year after  
33 the year in which the district is authorized  
34 to be created at a confirmation election, an  
35 election shall be held in the district for  
36 the election of two directors to replace the  
37 two initial directors serving shorter terms  
38 from the confirmation election.

39 (2) Section 11(b), Chapter 1152, and Section  
40 10(b), Chapter 1162, Acts of the 78th Legislature,  
41 Regular Session, 2003, require board elections to be  
42 held on the "first Saturday in May of each subsequent  
43 even-numbered year following the election," meaning  
44 the first election of directors (see Revisor's Note  
45 (1)). When Chapters 1152 and 1162 were enacted,

1 Section 41.001, Election Code, provided for a uniform  
2 election date of the first Saturday in May for all  
3 political subdivisions, indicating that the  
4 legislature intended the district's election to  
5 coincide with that uniform date. Chapter 1315, Acts of  
6 the 78th Legislature, Regular Session, 2003, amended  
7 Section 41.001, Election Code, to change the uniform  
8 election date in May to the third Saturday in May.  
9 Chapter 1, Acts of the 78th Legislature, 3rd Called  
10 Session, 2003, amended Section 41.001 to change the  
11 uniform election date in May back to the first Saturday  
12 in May. Chapter 471, Acts of the 79th Legislature,  
13 Regular Session, 2005, amended Section 41.001 to  
14 change the uniform election date in May to the second  
15 Saturday in May. The revised law substitutes "uniform  
16 election date in May" for "first Saturday in May" to  
17 reflect those changes and to preserve the legislative  
18 intent that the election be held on the uniform  
19 election date in May. In addition, the revised law adds  
20 "or another date authorized by law" to acknowledge  
21 other legislative enactments such as Section 41.0052,  
22 Election Code, as amended by Chapter 1318, Acts of the  
23 82nd Legislature, Regular Session, 2011, that could  
24 result in the election being held on a date other than  
25 the uniform election date in May.

26 Revised Law

27 Sec. 8853.054. QUALIFICATIONS FOR OFFICE. (a) To be a  
28 candidate for or to serve as a director, a person must be a  
29 registered voter in the single-member district the person  
30 represents or seeks to represent.

31 (b) A director in office on the effective date of a change in  
32 the boundaries of a single-member district under Section  
33 8853.056(a), or a director elected or appointed before the  
34 effective date of the change whose term of office begins on or after

1 the effective date of the change, shall serve for the remainder of  
2 the director's term in the single-member district to which the  
3 director was elected or appointed even though the change in  
4 boundaries places the director's residence outside the district to  
5 which the director was elected or appointed. (Acts 78th Leg., R.S.,  
6 Ch. 1152, Secs. 9A(e), (g) (part); Ch. 1162, Secs. 8A(e), (g)  
7 (part).)

8 Source Law

9 [Acts 78th Leg., R.S., Ch. 1152, Sec. 9A]

10 (e) To be a candidate for or to serve as a  
11 director, a person must be a registered voter in the  
12 single-member district the person represents or seeks  
13 to represent.

14 (g) . . . A director in office on the effective  
15 date of a change in the boundaries of a single-member  
16 district, or a director elected or appointed before  
17 the effective date of the change whose term of office  
18 begins on or after the effective date of the change,  
19 shall serve for the remainder of the director's term in  
20 the single-member district to which elected or  
21 appointed even though the change in boundaries places  
22 the director's residence outside the district to which  
23 the director was elected or appointed.

24 [Acts 78th Leg., R.S., Ch. 1162, Sec. 8A]

25 (e) To be a candidate for or to serve as a  
26 director, a person must be a registered voter in the  
27 single-member district the person represents or seeks  
28 to represent.

29 (g) . . . A director in office on the effective  
30 date of a change in the boundaries of a single-member  
31 district, or a director elected or appointed before  
32 the effective date of the change whose term of office  
33 begins on or after the effective date of the change,  
34 shall serve for the remainder of the director's term in  
35 the single-member district to which elected or  
36 appointed even though the change in boundaries places  
37 the director's residence outside the district to which  
38 the director was elected or appointed.

39 Revised Law

40 Sec. 8853.055. APPLICATION FOR PLACEMENT ON BALLOT. A  
41 person shall indicate on the application for a place on the ballot  
42 the single-member district the person seeks to represent. (Acts  
43 78th Leg., R.S., Ch. 1152, Sec. 9A(f); Ch. 1162, Sec. 8A(f).)

44 Source Law

45 [Acts 78th Leg., R.S., Ch. 1152, Sec. 9A]

46 (f) A person shall indicate on the application  
47 for a place on the ballot the single-member district  
48 the person seeks to represent.

49 [Acts 78th Leg., R.S., Ch. 1162, Sec. 8A]

1 (f) A person shall indicate on the application  
2 for a place on the ballot the single-member district  
3 the person seeks to represent.

4 Revised Law

5 Sec. 8853.056. REVISION OF SINGLE-MEMBER DISTRICTS. (a)  
6 After each federal decennial census or as needed, the board may  
7 redraw the single-member districts to reflect population changes.

8 (b) If the district annexes territory, the annexed  
9 territory becomes part of one or more of the single-member  
10 districts as determined by the board. (Acts 78th Leg., R.S., Ch.  
11 1152, Secs. 9A(c), (g) (part); Ch. 1162, Secs. 8A(c), (g) (part).)

12 Source Law

13 [Acts 78th Leg., R.S., Ch. 1152, Sec. 9A]

14 (c) If the district annexes territory, the  
15 annexed territory becomes part of one or more of the  
16 single-member districts as determined by the board.

17 (g) After each federal decennial census or as  
18 needed, the board may redraw the single-member  
19 districts to reflect population changes. . . .

20 [Acts 78th Leg., R.S., Ch. 1162, Sec. 8A]

21 (c) If the district annexes territory, the  
22 annexed territory becomes part of one or more of the  
23 single-member districts as determined by the board.

24 (g) After each federal decennial census or as  
25 needed, the board may redraw the single-member  
26 districts to reflect population changes. . . .

27 Revised Law

28 Sec. 8853.057. COMPENSATION OF DIRECTORS. A director is  
29 not entitled to fees of office but is entitled to reimbursement of  
30 actual expenses reasonably and necessarily incurred while engaging  
31 in activities on behalf of the district. (Acts 78th Leg., R.S., Ch.  
32 1152, Sec. 7.)

33 Source Law

34 Sec. 7. A director is not entitled to fees of  
35 office but is entitled to reimbursement of actual  
36 expenses reasonably and necessarily incurred while  
37 engaging in activities on behalf of the district.

38 Revisor's Note

39 (End of Subchapter)

40 (1) Sections 6(b) and (c), Chapter 1152, and  
41 Sections 6(b) and (c), Chapter 1162, Acts of the 78th  
42 Legislature, Regular Session, 2003, provide for the  
43 terms of office of "temporary" and "initial"

1 directors. Because the terms of the temporary and  
2 initial directors have expired, the revised law omits  
3 Sections 6(b) and (c) of Chapters 1152 and 1162 as  
4 executed. The omitted law reads:

5 [Acts 78th Leg., R.S., Ch. 1152, Sec. 6]

6 (b) Temporary directors serve until  
7 initial directors are elected under Section  
8 10 of this Act.

9 (c) Two of the initial directors  
10 serve until the first election of permanent  
11 directors under Section 11 of this Act.  
12 Three of the initial directors serve until  
13 the second election of permanent directors  
14 under Section 11 of this Act.

15 [Acts 78th Leg., R.S., Ch. 1162, Sec. 6]

16 (b) Temporary directors serve until  
17 initial directors are elected under Section  
18 9 of this Act.

19 (c) Two of the initial directors  
20 serve until the first election of permanent  
21 directors under Section 10 of this Act.  
22 Three of the initial directors serve until  
23 the second election of permanent directors  
24 under Section 10 of this Act.

25 (2) Section 8, Chapter 1152, and Section 7,  
26 Chapter 1162, Acts of the 78th Legislature, Regular  
27 Session, 2003, provide for temporary directors and for  
28 filling vacancies on the temporary board. Because the  
29 two sections provide different methods of determining  
30 the temporary directors, the two provisions are  
31 irreconcilable. Under Section 311.025, Government  
32 Code (Code Construction Act), if statutes are  
33 irreconcilable, the statute latest in date of  
34 enactment prevails. The date of enactment is the date  
35 on which the last legislative vote is taken on the bill  
36 enacting the statute. The last legislative vote on  
37 Chapter 1162 was taken on May 28, 2003. The last  
38 legislative vote on Chapter 1152 was taken on May 29,  
39 2003. Accordingly, the revised law omits Section 7,  
40 Chapter 1162, as superseded by Section 8, Chapter  
41 1152. The revised law omits Section 8, Chapter 1152,  
42 as executed. The omitted law reads:

43 [Acts 78th Leg., R.S., Ch. 1152]

44 Sec. 8. (a) The temporary board

1 consists of five members appointed by the  
2 Commissioners Court of Kenedy County.

3 (b) If a temporary director fails to  
4 qualify for office, the Commissioners Court  
5 of Kenedy County shall appoint a person to  
6 fill the vacancy.

7 [Acts 78th Leg., R.S., Ch. 1162]

8 Sec. 7. (a) The temporary board  
9 consists of:

- 10 (1) \_\_\_\_\_;  
11 (2) \_\_\_\_\_;  
12 (3) \_\_\_\_\_;  
13 (4) \_\_\_\_\_; and  
14 (5) \_\_\_\_\_.

15 (b) If a temporary director fails to  
16 qualify for office, the temporary directors  
17 who have qualified shall appoint a person to  
18 fill the vacancy. If at any time there are  
19 fewer than three qualified temporary  
20 directors, the Texas Commission on  
21 Environmental Quality shall appoint the  
22 necessary number of persons to fill all  
23 vacancies on the temporary board.

24 (3) Sections 9A(a)(2) and (b), Chapter 1152, and  
25 Sections 8A(a)(2) and (b), Chapter 1162, Acts of the  
26 78th Legislature, Regular Session, 2003, require the  
27 board to assign each existing board position to a  
28 single-member district and provide considerations for  
29 the division of the district into single-member  
30 districts. The revised law omits those provisions as  
31 executed because each position has been assigned to a  
32 single-member district and the district has been  
33 divided into single-member districts. The omitted law  
34 reads:

35 [Acts 78th Leg., R.S., Ch. 1152]

36 [Sec. 9A. (a) As soon as practicable  
37 after the effective date of the Act] . . .  
38 [the board shall:]

39 . . .  
40 (2) assign each of the existing  
41 board positions to one of the new  
42 single-member districts.

43 (b) In dividing the district into  
44 single-member districts under Subsection  
45 (a) of this section, the board shall:

46 (1) take into account the  
47 existing at-large board position elected by  
48 the voters of the Santa Gertrudis  
49 Independent School District; and

50 (2) draw the single-member  
51 districts in a manner that retains the  
52 existing district lines as closely as  
53 possible.

54 [Acts 78th Leg., R.S., Ch. 1162]

55 [Sec. 8A. (a) As soon as practicable

1 after the effective date of the Act] . . .  
2 [the board shall:]

3 . . .  
4 (2) assign each of the existing  
5 board positions to one of the new  
6 single-member districts.

7 (b) In dividing the district into  
8 single-member districts under Subsection  
9 (a) of this section, the board shall:

10 (1) take into account the  
11 existing at-large board position elected by  
12 the voters of the Santa Gertrudis  
13 Independent School District; and

14 (2) draw the single-member  
15 districts in a manner that retains the  
16 existing district lines as closely as  
17 possible.

18 (4) Section 10, Chapter 1152, and Section 9,  
19 Chapter 1162, Acts of the 78th Legislature, Regular  
20 Session, 2003, provide procedures for holding an  
21 election to confirm the district's creation and to  
22 elect the district's initial board. Because the  
23 district has been confirmed and its initial board has  
24 been elected, the revised law omits those provisions  
25 as executed. The omitted law reads:

26 [Acts 78th Leg., R.S., Ch. 1152]

27 Sec. 10. (a) The temporary board  
28 shall call and hold an election to confirm  
29 establishment of the district and to elect  
30 initial directors.

31 (b) At the confirmation and initial  
32 directors' election, the temporary board  
33 shall have placed on the ballot the name of  
34 any candidate filing for an initial  
35 director's position and blank spaces to  
36 write in the names of other persons. A  
37 temporary director who is eligible to be a  
38 candidate under Section 9 may file for an  
39 initial director's position.

40 (c) The initial directors elected  
41 shall draw lots to decide which two shall  
42 serve terms lasting until replacement  
43 directors are elected at the first  
44 regularly scheduled election of directors  
45 under Section 11 of this Act and which three  
46 shall serve until the second regularly  
47 scheduled election of directors.

48 (d) Section 41.001(a), Election  
49 Code, does not apply to a confirmation and  
50 initial directors' election held as  
51 provided by this section.

52 (e) Except as provided by this  
53 section, a confirmation and initial  
54 directors' election must be conducted as  
55 provided by Sections 36.017(b)-(i), Water  
56 Code, and the Election Code.

57 [Acts 78th Leg., R.S., Ch. 1162]

58 Sec. 9. (a) The temporary board  
59 shall call and hold an election to confirm

1 establishment of the district and to elect  
2 initial directors.

3 (b) At the confirmation and initial  
4 directors' election, the temporary board  
5 shall have placed on the ballot the name of  
6 any candidate filing for an initial  
7 director's position and blank spaces to  
8 write in the names of other persons. A  
9 temporary director who is eligible to be a  
10 candidate under Section 8 may file for an  
11 initial director's position.

12 (c) The initial directors elected  
13 shall draw lots to decide which two shall  
14 serve terms lasting until replacement  
15 directors are elected at the first  
16 regularly scheduled election of directors  
17 under Section 10 of this Act and which three  
18 shall serve until the second regularly  
19 scheduled election of directors.

20 (d) Section 41.001(a), Election  
21 Code, does not apply to a confirmation and  
22 initial directors' election held as  
23 provided by this section.

24 (e) Except as provided by this  
25 section, a confirmation and initial  
26 directors' election must be conducted as  
27 provided by Sections 36.017(b)-(i), Water  
28 Code, and the Election Code.

29 [Sections 8853.058-8853.100 reserved for expansion]

30 SUBCHAPTER C. POWERS

31 Revised Law

32 Sec. 8853.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
33 AND DUTIES. The district has the rights, powers, privileges,  
34 functions, and duties provided by the general law of this state,  
35 including Chapter 36, Water Code, applicable to groundwater  
36 conservation districts created under Section 59, Article XVI, Texas  
37 Constitution. (Acts 78th Leg., R.S., Ch. 1152, Sec. 12; Ch. 1162,  
38 Sec. 11.)

39 Source Law

40 [Acts 78th Leg., R.S., Ch. 1152]

41 Sec. 12. The district has all of the rights,  
42 powers, privileges, authority, functions, and duties  
43 provided by the general law of this state, including  
44 Chapter 36, Water Code, applicable to groundwater  
45 conservation districts created under Section 59,  
46 Article XVI, Texas Constitution.

47 [Acts 78th Leg., R.S., Ch. 1162]

48 Sec. 11. The district has all of the rights,  
49 powers, privileges, authority, functions, and duties  
50 provided by the general law of this state, including  
51 Chapter 36, Water Code, applicable to groundwater  
52 conservation districts created under Section 59,  
53 Article XVI, Texas Constitution.

1 Revisor's Note

2 Section 12, Chapter 1152, and Section 11, Chapter  
3 1162, Acts of the 78th Legislature, Regular Session,  
4 2003, refer to the "rights, powers, privileges, [and]  
5 authority" of the district. The revised law omits the  
6 reference to "authority" because, in context,  
7 "authority" is included in the meaning of "rights,  
8 powers, [and] privileges."

9 [Sections 8853.102-8853.150 reserved for expansion]

10 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

11 Revised Law

12 Sec. 8853.151. LIMITATION ON TAXATION. The district may  
13 impose a tax to pay any part of bonds or notes issued by the district  
14 at a rate not to exceed 20 cents on each \$100 of assessed valuation.  
15 (Acts 78th Leg., R.S., Ch. 1152, Sec. 13.)

16 Source Law

17 Sec. 13. The district may levy a tax to pay any  
18 part of bonds or notes issued by the district at a rate  
19 not to exceed 20 cents on each \$100 of assessed  
20 valuation.

21 Revisor's Note

22 Section 13, Chapter 1152, Acts of the 78th  
23 Legislature, Regular Session, 2003, authorizes the  
24 district to "levy a tax." The revised law substitutes  
25 "impose" for "levy" because "impose" is the term  
26 generally used in Title 1, Tax Code, and includes the  
27 levying of a tax.

28 Revisor's Note  
29 (End of Chapter)

30 Section 14, Chapter 1152, and Section 12, Chapter  
31 1162, Acts of the 78th Legislature, Regular Session,  
32 2003, recite legislative findings regarding  
33 procedural requirements for legislation affecting the  
34 district, including proper legal notice and the filing  
35 of recommendations. The revised law omits those  
36 provisions as executed. The omitted law reads:

[Acts 78th Leg., R.S., Ch. 1152]

Sec. 14. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code. The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

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

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

[Acts 78th Leg., R.S., Ch. 1162]

Sec. 12. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code. The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

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

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

CHAPTER 8858. KIMBLE COUNTY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

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[Sections 8858.005-8858.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Sec. 8858.051. COMPOSITION OF BOARD; TERMS . . . . . 1100

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8 [Sections 8858.057-8858.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8858.101. GROUNDWATER CONSERVATION DISTRICT

11 POWERS AND DUTIES . . . . . 1107

12 [Sections 8858.102-8858.150 reserved for expansion]

13 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

14 Sec. 8858.151. LIMITATION ON TAXES FOR BONDS OR NOTES . . . . . 1108

15 CHAPTER 8858. KIMBLE COUNTY GROUNDWATER CONSERVATION DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Revised Law

18 Sec. 8858.001. DEFINITIONS. In this chapter:

19 (1) "Board" means the district's board of directors.

20 (2) "Director" means a board member.

21 (3) "District" means the Kimble County Groundwater  
 22 Conservation District. (Acts 77th Leg., R.S., Ch. 966, Sec.  
 23 3.0702; New.)

24 Source Law

25 Sec. 3.0702. In this part, "district" means the  
 26 Kimble County Groundwater Conservation District.

27 Revisor's Note

28 The definitions of "board" and "director" are  
 29 added to the revised law for drafting convenience and  
 30 to eliminate frequent, unnecessary repetition of the  
 31 substance of the definitions.

32 Revised Law

33 Sec. 8858.002. NATURE OF DISTRICT. The district is a  
 34 groundwater conservation district in Kimble County created under  
 35 and essential to accomplish the purposes of Section 59, Article

1 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 966, Secs.  
2 3.0701(a) (part), (b).)

3 Source Law

4 Sec. 3.0701. (a) A groundwater conservation  
5 district, to be known as the Kimble County Groundwater  
6 Conservation District, is created in Kimble County,  
7 . . . .  
8 (b) The district is created under and is  
9 essential to accomplish the purposes of Section 59,  
10 Article XVI, Texas Constitution.

11 Revisor's Note

12 (1) Section 3.0701(a), Chapter 966, Acts of the  
13 77th Legislature, Regular Session, 2001, refers to a  
14 confirmation election. Because the confirmation  
15 election has already been held, the revised law omits  
16 the provision as executed. The omitted law reads:

17 (a) . . . subject to approval at a  
18 confirmation election under this  
19 part. . . .

20 (2) Section 3.0701(a), Chapter 966, Acts of the  
21 77th Legislature, Regular Session, 2001, provides that  
22 the district is a governmental agency and body politic  
23 and corporate. The revised law omits that provision  
24 because it duplicates a portion of Section 59(b),  
25 Article XVI, Texas Constitution, which provides that a  
26 conservation and reclamation district is a  
27 governmental agency and body politic and corporate.  
28 The omitted law reads:

29 (a) . . . The district is a  
30 governmental agency and a body politic and  
31 corporate.

32 Revised Law

33 Sec. 8858.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
34 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 works and projects accomplished by the  
37 district under the powers conferred by Section 59, Article XVI,  
38 Texas Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0704.)

1 Source Law

2 Sec. 3.0704. All of the land and other property  
3 included within the boundaries of the district will be  
4 benefited by the works and projects that are to be  
5 accomplished by the district under powers conferred by  
6 Section 59, Article XVI, Texas Constitution. The  
7 district is created to serve a public use and benefit.

8 Revised Law

9 Sec. 8858.004. DISTRICT TERRITORY. The district's  
10 boundaries are coextensive with the boundaries of Kimble County,  
11 excluding that part of Kimble County that lies within the  
12 boundaries of Hickory Underground Water Conservation District No.  
13 1, unless the district's territory has been modified under:

- 14 (1) Subchapter J or K, Chapter 36, Water Code; or  
15 (2) other law. (Acts 77th Leg., R.S., Ch. 966, Sec.  
16 3.0703; New.)

17 Source Law

18 Sec. 3.0703. The boundaries of the district are  
19 coextensive with the boundaries of Kimble County,  
20 Texas, excluding that part of Kimble County that lies  
21 within the boundaries of the Hickory Underground Water  
22 District.

23 Revisor's Note

24 (1) Section 3.0703, Chapter 966, Acts of the  
25 77th Legislature, Regular Session, 2001, refers to the  
26 "Hickory Underground Water District." The revised law  
27 substitutes "Hickory Underground Water Conservation  
28 District No. 1" for the quoted language because that is  
29 the official name of the district.

30 (2) Section 3.0703, Chapter 966, Acts of the  
31 77th Legislature, Regular Session, 2001, contains a  
32 description of the territory of the district. That  
33 description may not be accurate on the effective date  
34 of the revised law or at the time of a later reading  
35 because the district's boundaries are subject to  
36 change. For the reader's convenience, the revised law  
37 adds references to the authority to change the  
38 district's territory under Subchapter J or K, Chapter  
39 36, Water Code, applicable to groundwater conservation

1 districts, and to the general authority of the  
2 legislature to enact other laws under which the  
3 district's territory may change.

4 Revisor's Note  
5 (End of Subchapter)

6 (1) Section 3.0705(a), Chapter 966, Acts of the  
7 77th Legislature, Regular Session, 2001, provides that  
8 the part of that act pertaining to the district  
9 prevails over general law in case of a conflict or  
10 other inconsistency. The revised law omits the  
11 provision because it duplicates Section 311.026,  
12 Government Code (Code Construction Act). The omitted  
13 law reads:

14 (a) . . . This part prevails over any  
15 provision of general law that is in conflict  
16 or is inconsistent with this part.

17 (2) Section 3.0705(b), Chapter 966, Acts of the  
18 77th Legislature, Regular Session, 2001, provides that  
19 certain provisions of the Water Code prevail over a  
20 conflicting or inconsistent provision of the part of  
21 that act pertaining to the district. The revised law  
22 omits Section 3.0705(b) because it substantially  
23 duplicates Section 36.052(b), Water Code, which  
24 provides that the provisions of the Water Code  
25 referenced in Section 3.0705(b), in addition to  
26 Section 36.107, Water Code, prevail over a conflicting  
27 or inconsistent provision of a special law that  
28 governs a specific district. Although Section  
29 3.0705(b) does not reference Section 36.107, Water  
30 Code, that section of Chapter 36 is not in conflict or  
31 inconsistent with any provision of this chapter. The  
32 omitted law reads:

33 (b) Notwithstanding Subsection (a)  
34 of this section, the following provisions  
35 prevail over a conflicting or inconsistent  
36 provision of this part:

- 37 (1) Sections 36.1071-36.108,  
38 Water Code;  
39 (2) Sections 36.159-36.161,

1 Water Code; and  
2 (3) Subchapter I, Chapter 36,  
3 Water Code.

4 (3) Section 3.0705(c), Chapter 966, Acts of the  
5 77th Legislature, Regular Session, 2001, provides that  
6 Chapter 49, Water Code, does not apply to the district.  
7 The revised law omits the provision as unnecessary.

8 Section 49.002(b), Water Code, provides that  
9 Chapter 49 does not apply to a district governed by  
10 Chapter 36 unless a special law creating the district  
11 or amending the law creating the district states that  
12 Chapter 49 applies to that district. The district is  
13 governed by Chapter 36, Water Code, under Section  
14 3.0705(a), Chapter 966, Acts of the 77th Legislature,  
15 Regular Session, 2001, revised in this chapter as  
16 Section 8858.101, and Section 36.001(1), Water Code.  
17 Because the district is governed by Chapter 36, Water  
18 Code, and the special law creating the district does  
19 not state that Chapter 49 of that code applies to the  
20 district, Chapter 49 does not apply to the district.  
21 The omitted law reads:

22 (c) Chapter 49, Water Code, does not  
23 apply to the district.

24 [Sections 8858.005-8858.050 reserved for expansion]

#### 25 SUBCHAPTER B. BOARD OF DIRECTORS

##### 26 Revised Law

27 Sec. 8858.051. COMPOSITION OF BOARD; TERMS. (a) The  
28 district is governed by a board of five directors.

29 (b) Directors serve staggered four-year terms. (Acts 77th  
30 Leg., R.S., Ch. 966, Secs. 3.0706(a), (d).)

##### 31 Source Law

32 Sec. 3.0706. (a) The district is governed by a  
33 board of five directors.

34 (d) Permanent directors serve staggered  
35 four-year terms.

##### 36 Revisor's Note

37 (1) Section 3.0706(d), Chapter 966, Acts of the

1 77th Legislature, Regular Session, 2001, refers to  
2 "[p]ermanent" directors. The revised law omits  
3 "[p]ermanent." Sections 3.0706(b), (c), and (d) refer  
4 to "temporary," "initial," and "permanent" directors  
5 to distinguish between the original "temporary"  
6 directors, the "initial" directors who immediately  
7 succeeded the "temporary" directors after the first  
8 election of directors, and subsequently serving  
9 "permanent" directors. For the reasons stated in the  
10 revisor's notes at the end of this subchapter, the  
11 revised law omits provisions regarding "temporary" and  
12 "initial" directors. It is therefore no longer  
13 necessary to distinguish between "temporary,"  
14 "initial," and "permanent" directors, and the revised  
15 law is drafted accordingly.

16 (2) Section 3.0706(e), Chapter 966, Acts of the  
17 77th Legislature, Regular Session, 2001, provides that  
18 a director must qualify to serve in the manner provided  
19 by Section 36.055, Water Code. The revised law omits  
20 that provision because Section 36.055, Water Code,  
21 applies to the district under Section 8858.101 of this  
22 chapter and Section 36.001(1), Water Code. The  
23 omitted law reads:

24 (e) Each director must qualify to  
25 serve as director in the manner provided by  
26 Section 36.055, Water Code.

27 (3) Section 3.0706(f), Chapter 966, Acts of the  
28 77th Legislature, Regular Session, 2001, provides that  
29 a director serves until a successor has qualified. The  
30 revised law omits that provision because it duplicates  
31 Section 17, Article XVI, Texas Constitution, which  
32 provides that an officer in this state continues to  
33 perform the officer's official duties until a  
34 successor has qualified. The omitted law reads:

35 (f) A director serves until the  
36 director's successor has qualified.

1 Revised Law

2 Sec. 8858.052. ELECTION OF DIRECTORS. (a) The district is  
3 divided into five numbered single-member districts for electing  
4 directors.

5 (b) One director is elected from each single-member  
6 district. A director elected from a single-member district  
7 represents the residents of that single-member district. (Acts  
8 77th Leg., R.S., Ch. 966, Secs. 3.0709(a), (b).)

9 Source Law

10 Sec. 3.0709. (a) The temporary directors shall  
11 draw five numbered, single-member districts for  
12 electing directors.

13 (b) For the conduct of an election under the  
14 following two sections of this part, the board shall  
15 provide for one director to be elected from each of the  
16 single-member districts. A director elected from a  
17 single-member district represents the residents of  
18 that single-member district.

19 Revisor's Note

20 (1) Section 3.0709(a), Chapter 966, Acts of the  
21 77th Legislature, Regular Session, 2001, provides that  
22 "[t]he temporary directors shall draw" five numbered  
23 single-member districts for electing directors. The  
24 revised law substitutes "[t]he district is divided  
25 into" for the quoted language because the requirement  
26 that the temporary directors "draw," or divide the  
27 district into, the numbered single-member districts is  
28 executed.

29 (2) Section 3.0709(b), Chapter 966, Acts of the  
30 77th Legislature, Regular Session, 2001, provides that  
31 the single-member districts drawn by the temporary  
32 directors apply to "the conduct of an election under  
33 the following two sections of this part," meaning the  
34 confirmation and initial directors' election (Section  
35 3.0710 of Chapter 966) or a regular election of  
36 directors (Section 3.0711 of Chapter 966). The  
37 revised law omits the reference to the directors'  
38 election under Section 3.0710 as executed. (See

1 Revisor's Note (3) at the end of this subchapter.) The  
2 revised law also omits the reference to an election  
3 under Section 3.0711 because there is no longer a need  
4 to specify the type of election. (See Revisor's Note  
5 (1) to Section 8858.051 and the revisor's notes at the  
6 end of this subchapter.)

7 Revised Law

8 Sec. 8858.053. ELECTION DATE. Each even-numbered year, on  
9 the uniform election date in May or another date authorized by law,  
10 the appropriate number of directors shall be elected. (Acts 77th  
11 Leg., R.S., Ch. 966, Sec. 3.0711(b).)

12 Source Law

13 (b) On the first Saturday in May of each  
14 subsequent second year following the election, the  
15 appropriate number of directors shall be elected.

16 Revisor's Note

17 (1) Section 3.0711(a), Chapter 966, Acts of the  
18 77th Legislature, Regular Session, 2001, prescribes  
19 the election date for the first directors' election  
20 following the confirmation election. Because that  
21 first election of directors has been held, the revised  
22 law omits that provision as executed. The omitted law  
23 reads:

24 Sec. 3.0711. (a) On the first  
25 Saturday in May of the first even-numbered  
26 year after the year in which the district is  
27 authorized to be created at a confirmation  
28 election, an election shall be held in the  
29 district for the election of three  
30 directors to serve four-year terms and two  
31 directors to serve two-year terms.

32 (2) Section 3.0711(b), Chapter 966, Acts of the  
33 77th Legislature, Regular Session, 2001, requires  
34 board elections to be held on the "first Saturday in  
35 May of each subsequent second year following the  
36 election," meaning the first election of directors  
37 (see Revisor's Note (1)). When Chapter 966 was  
38 enacted, Section 41.001, Election Code, provided for a  
39 uniform election date of the first Saturday in May for

1 all political subdivisions, indicating that the  
2 legislature intended the district's election to  
3 coincide with that uniform date. Chapter 1315, Acts of  
4 the 78th Legislature, Regular Session, 2003, amended  
5 Section 41.001, Election Code, to change the uniform  
6 election date in May to the third Saturday in May.  
7 Chapter 1, Acts of the 78th Legislature, 3rd Called  
8 Session, 2003, amended Section 41.001 to change the  
9 uniform election date in May back to the first Saturday  
10 in May. Chapter 471, Acts of the 79th Legislature,  
11 Regular Session, 2005, amended Section 41.001 to  
12 change the uniform election date in May to the second  
13 Saturday in May. The revised law substitutes "uniform  
14 election date in May" for "first Saturday in May" to  
15 reflect those changes and to preserve the legislative  
16 intent that the election be held on the uniform  
17 election date in May. In addition, the revised law adds  
18 "or another date authorized by law" to acknowledge  
19 other legislative enactments such as Section 41.0052,  
20 Election Code, as amended by Chapter 1318, Acts of the  
21 82nd Legislature, Regular Session, 2011, that could  
22 result in the election being held on a date other than  
23 the uniform election date in May.

24 The revised law also substitutes "Each  
25 even-numbered year" for "each subsequent second year  
26 following the election" because the election  
27 referenced in the quoted language was held in May 2004.  
28 As a result, subsequent directors' elections will also  
29 be held in even-numbered years.

30 Revised Law

31 Sec. 8858.054. QUALIFICATIONS FOR OFFICE. To be qualified  
32 to be a candidate for or to serve as director, a person must be a  
33 registered voter in the single-member district that the person  
34 represents or seeks to represent. (Acts 77th Leg., R.S., Ch. 966,

1 Sec. 3.0709(c).)

2 Source Law

3 (c) To be qualified to be a candidate for or to  
4 serve as director, a person must be a registered voter  
5 in the single-member district that the person  
6 represents or seeks to represent.

7 Revised Law

8 Sec. 8858.055. REVISION OF SINGLE-MEMBER DISTRICTS. (a)  
9 The board may revise the single-member districts as necessary or  
10 appropriate.

11 (b) The board shall revise each single-member district  
12 after each federal decennial census to reflect population changes.

13 (c) At the first election after the single-member districts  
14 are revised, a new director shall be elected from each district.  
15 The directors shall draw lots to determine which two directors  
16 serve two-year terms and which three directors serve four-year  
17 terms. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0709(d).)

18 Source Law

19 (d) The initial or permanent directors may  
20 revise the districts as necessary or appropriate. The  
21 board of directors shall revise each single-member  
22 district after each federal decennial census to  
23 reflect population changes. At the first election  
24 after the single-member districts are revised, a new  
25 director shall be elected from each district. The  
26 directors shall draw lots to determine which two  
27 directors serve two-year terms and which three  
28 directors serve four-year terms.

29 Revisor's Note

30 Section 3.0709(d), Chapter 966, Acts of the 77th  
31 Legislature, Regular Session, 2001, refers to the  
32 "initial or permanent directors." The revised law  
33 omits the reference to "initial or permanent"  
34 directors for the reasons stated in Revisor's Note (1)  
35 to Section 8858.051 and the revisor's notes at the end  
36 of this subchapter.

37 Revised Law

38 Sec. 8858.056. COMPENSATION; EXPENSES. A director is not  
39 entitled to fees of office but is entitled to reimbursement of  
40 actual expenses reasonably and necessarily incurred while engaging

1 in activities on behalf of the district. (Acts 77th Leg., R.S., Ch.  
2 966, Sec. 3.0707.)

3 Source Law

4 Sec. 3.0707. A director is not entitled to fees  
5 of office but is entitled to reimbursement of actual  
6 expenses reasonably and necessarily incurred while  
7 engaging in activities on behalf of the district.

8 Revisor's Note  
9 (End of Subchapter)

10 (1) Sections 3.0706(b) and (c), Chapter 966,  
11 Acts of the 77th Legislature, Regular Session, 2001,  
12 provide that temporary directors serve until initial  
13 directors are elected and that initial directors serve  
14 until permanent directors are elected. Because the  
15 terms of the temporary and initial directors have  
16 expired, the revised law omits those provisions as  
17 executed. The omitted law reads:

18 (b) Temporary directors serve until  
19 initial directors are elected under this  
20 part.

21 (c) Initial directors serve until  
22 permanent directors are elected under this  
23 part.

24 (2) Section 3.0708, Chapter 966, Acts of the  
25 77th Legislature, Regular Session, 2001, provides for  
26 the appointment of temporary directors and for filling  
27 vacancies on the temporary board. Because the  
28 temporary directors were appointed and the terms of  
29 the temporary directors have expired, the revised law  
30 omits those provisions as executed. The omitted law  
31 reads:

32 Sec. 3.0708. (a) The temporary  
33 board of directors consists of five members  
34 appointed by the Commissioners Court of  
35 Kimble County.

36 (b) If a temporary director fails to  
37 qualify for office, the Commissioners Court  
38 of Kimble County shall appoint a person to  
39 fill the vacancy.

40 (3) Section 3.0710, Chapter 966, Acts of the  
41 77th Legislature, Regular Session, 2001, provides  
42 procedures for holding an election to confirm the

1 district's creation and to elect the district's initial  
2 board. The revised law omits those provisions as  
3 executed because the district has been confirmed and  
4 its initial board has been elected. The omitted law  
5 reads:

6 Sec. 3.0710. (a) The temporary  
7 board of directors shall call and hold an  
8 election to confirm establishment of the  
9 district and to elect initial directors.

10 (b) At the confirmation and initial  
11 directors election, the temporary board of  
12 directors shall have placed on the ballot  
13 the name of any candidate filing for an  
14 initial director's position and blank  
15 spaces to write in the names of other  
16 persons. A temporary director who is  
17 qualified to be a candidate under the  
18 preceding section of this part may file for  
19 an initial director's position.

20 (c) Section 41.001(a), Election  
21 Code, does not apply to a confirmation and  
22 initial directors election held as provided  
23 by this section.

24 (d) Except as provided by this  
25 section, a confirmation and initial  
26 directors election must be conducted as  
27 provided by Sections 36.017(b)-(h), Water  
28 Code, and the Election Code.

29 [Sections 8858.057-8858.100 reserved for expansion]

### 30 SUBCHAPTER C. POWERS AND DUTIES

#### 31 Revised Law

32 Sec. 8858.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
33 AND DUTIES. The district has the rights, powers, privileges,  
34 functions, and duties provided by the general law of this state,  
35 including Chapter 36, Water Code, applicable to groundwater  
36 conservation districts created under Section 59, Article XVI, Texas  
37 Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0705(a)  
38 (part).)

#### 39 Source Law

40 Sec. 3.0705. (a) The district has all of the  
41 rights, powers, privileges, authority, functions, and  
42 duties provided by the general law of this state,  
43 including Chapter 36, Water Code, applicable to  
44 groundwater conservation districts created under  
45 Section 59, Article XVI, Texas Constitution. . . .

#### 46 Revisor's Note

47 Section 3.0705(a), Chapter 966, Acts of the 77th  
48 Legislature, Regular Session, 2001, refers to the

1 "rights, powers, privileges, [and] authority" of the  
2 district. The revised law omits the reference to  
3 "authority" because, in context, "authority" is  
4 included in the meaning of "rights, powers, [and]  
5 privileges."

6 [Sections 8858.102-8858.150 reserved for expansion]

7 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

8 Revised Law

9 Sec. 8858.151. LIMITATION ON TAXES FOR BONDS OR NOTES. The  
10 district, to pay any part of bonds or notes issued by the district,  
11 may not impose a tax that exceeds 20 cents on each \$100 of assessed  
12 valuation. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0712.)

13 Source Law

14 Sec. 3.0712. The district may not levy a tax to  
15 pay any part of bonds or notes issued by the district  
16 that exceeds 20 cents on each \$100 of assessed  
17 valuation.

18 Revisor's Note

19 Section 3.0712, Chapter 966, Acts of the 77th  
20 Legislature, Regular Session, 2001, prohibits the  
21 district from levying a tax that exceeds a certain rate  
22 if the tax is to be used to pay bonds or notes. The  
23 revised law substitutes "impose" for "levy" because  
24 "impose" is the term generally used in Title 1, Tax  
25 Code, and includes the levying of a tax.

26 Revisor's Note  
27 (End of Chapter)

28 (1) Section 3.0713(b), Chapter 966, Acts of the  
29 77th Legislature, Regular Session, 2001, contains  
30 transition language regarding the expiration of the  
31 act if the creation of the district is not confirmed at  
32 a confirmation election before a certain date. The  
33 revised law omits that provision as executed because  
34 the creation of the district was confirmed within the  
35 required period. The omitted law reads:

36 (b) If the creation of the district  
37 is not confirmed at a confirmation election

1 held under this part before September 1,  
2 2003, this part expires on that date.

3 (2) Section 13.04, Chapter 966, Acts of the 77th  
4 Legislature, Regular Session, 2001, recites  
5 legislative findings regarding procedural  
6 requirements for legislation affecting the district  
7 under the constitution and other laws and rules,  
8 including proper legal notice and the filing of  
9 recommendations. The revised law omits those  
10 provisions as executed. The omitted law reads:

11 Sec. 13.04. (a) The proper and legal  
12 notice of the intention to introduce this  
13 Act, setting forth the general substance of  
14 this Act, has been published as provided by  
15 law, and the notice and a copy of this Act  
16 have been furnished to all persons,  
17 agencies, officials, or entities to which  
18 they are required to be furnished by the  
19 constitution and other laws of this state,  
20 including the governor, who has submitted  
21 the notice and Act to the Texas Natural  
22 Resource Conservation Commission.

23 (b) The Texas Natural Resource  
24 Conservation Commission has filed its  
25 recommendations relating to this Act with  
26 the governor, lieutenant governor, and  
27 speaker of the house of representatives  
28 within the required time.

29 (c) All requirements of the  
30 constitution and laws of the state and the  
31 rules and procedures of the legislature  
32 with respect to the notice, introduction,  
33 and passage of this Act are fulfilled and  
34 accomplished.

35 (3) Section 13.05, Chapter 966, Acts of the 77th  
36 Legislature, Regular Session, 2001, provides that the  
37 act is severable. The revised law omits that provision  
38 because it duplicates Section 311.032(c), Government  
39 Code (Code Construction Act), which states that a  
40 provision of a statute is severable from each other  
41 provision of the statute that can be given effect. The  
42 omitted law reads:

43 Sec. 13.05. If any provision of this  
44 Act or its application to any person or  
45 circumstance is held invalid, the  
46 invalidity does not affect other provisions  
47 or applications of this Act that can be  
48 given effect without the invalid provision  
49 or application, and to this end the  
50 provisions of this Act are declared to be  
51 severable.

1 CHAPTER 8861. MENARD COUNTY UNDERGROUND WATER DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8861.001. DEFINITIONS . . . . . 1110

4 Sec. 8861.002. NATURE OF DISTRICT . . . . . 1110

5 Sec. 8861.003. FINDINGS OF PUBLIC USE AND BENEFIT . . . . . 1112

6 Sec. 8861.004. DISTRICT TERRITORY . . . . . 1112

7 [Sections 8861.005-8861.050 reserved for expansion]

8 SUBCHAPTER B. BOARD OF DIRECTORS

9 Sec. 8861.051. COMPOSITION OF BOARD; TERMS . . . . . 1115

10 Sec. 8861.052. ELECTION DATE . . . . . 1117

11 Sec. 8861.053. COMPENSATION; EXPENSES . . . . . 1118

12 [Sections 8861.054-8861.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 8861.101. GROUNDWATER CONSERVATION DISTRICT

15 POWERS AND DUTIES . . . . . 1121

16 Sec. 8861.102. AUTHORITY OF DISTRICT TO REQUIRE

17 PERMITS FOR CERTAIN WELLS . . . . . 1121

18 CHAPTER 8861. MENARD COUNTY UNDERGROUND WATER DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Revised Law

21 Sec. 8861.001. DEFINITIONS. In this chapter:

- 22 (1) "Board" means the district's board of directors.
- 23 (2) "Director" means a board member.
- 24 (3) "District" means the Menard County Underground

25 Water District. (Acts 72nd Leg., R.S., Ch. 180, Sec. 2; New.)

26 Source Law

27 Sec. 2. In this Act, "district" means the Menard  
28 County Underground Water District.

29 Revisor's Note

30 The definitions of "board" and "director" are  
31 added to the revised law for drafting convenience and  
32 to eliminate frequent, unnecessary repetition of the  
33 substance of the definitions.

34 Revised Law

35 Sec. 8861.002. NATURE OF DISTRICT. The district is a

1 groundwater conservation district in Menard County created under  
2 and essential to accomplish the purposes of Section 59, Article  
3 XVI, Texas Constitution. (Acts 72nd Leg., R.S., Ch. 180, Secs. 1(a)  
4 (part), (b).)

5 Source Law

6 Sec. 1. (a) An underground water conservation  
7 district, to be known as the Menard County Underground  
8 Water District, is created in Menard County, . . . .

9 (b) The district is created under and is  
10 essential to accomplish the purposes of Article XVI,  
11 Section 59, of the Texas Constitution.

12 Revisor's Note

13 (1) Section 1(a), Chapter 180, Acts of the 72nd  
14 Legislature, Regular Session, 1991, refers to the  
15 district as an "underground water conservation  
16 district." The revised law substitutes "groundwater  
17 conservation district" for the quoted language to  
18 conform to the term used in Chapter 36, Water Code,  
19 applicable to the district under Section 36.001, Water  
20 Code, and under Section 6(a), Chapter 180, Acts of the  
21 72nd Legislature, Regular Session, 1991, as amended by  
22 Chapter 254, Acts of the 79th Legislature, Regular  
23 Session, 2005, and revised in pertinent part in this  
24 chapter as Section 8861.101.

25 (2) Section 1(a), Chapter 180, Acts of the 72nd  
26 Legislature, Regular Session, 1991, refers to a  
27 confirmation election. Because the confirmation  
28 election has already been held, the revised law omits  
29 the provision as executed. The omitted law reads:

30 (a) . . . subject to approval at a  
31 confirmation election under Section 9 of  
32 this Act. . . .

33 (3) Section 1(a), Chapter 180, Acts of the 72nd  
34 Legislature, Regular Session, 1991, provides that the  
35 district is a governmental agency and a body politic  
36 and corporate. The revised law omits the provision  
37 because it duplicates a portion of Section 59(b),  
38 Article XVI, Texas Constitution, which provides that a

1 conservation and reclamation district is a  
2 governmental agency and a body politic and corporate.

3 The omitted law reads:

4 (a) . . . The district is a  
5 governmental agency and a body politic and  
6 corporate.

7 Revised Law

8 Sec. 8861.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
9 district is created to serve a public use and benefit.

10 (b) All land and other property included in the district  
11 will benefit from the works and projects accomplished by the  
12 district under the powers conferred by Section 59, Article XVI,  
13 Texas Constitution. (Acts 72nd Leg., R.S., Ch. 180, Sec. 5.)

14 Source Law

15 Sec. 5. All of the land and other property  
16 included within the boundaries of the district will be  
17 benefited by the works and projects that are to be  
18 accomplished by the district under powers conferred by  
19 Article XVI, Section 59, of the Texas Constitution.  
20 The district is created to serve a public use and  
21 benefit.

22 Revised Law

23 Sec. 8861.004. DISTRICT TERRITORY. (a) Except as provided  
24 by Subsection (b), the district includes the territory in Menard  
25 County unless the district's territory has been modified under:

- 26 (1) Subchapter J or K, Chapter 36, Water Code; or  
27 (2) other law.

28 (b) The district does not include the territory in the  
29 Hickory Underground Water Conservation District No. 1 as that  
30 territory existed on May 24, 1991.

31 (c) The boundaries of the district form a closure. (Acts  
32 72nd Leg., R.S., Ch. 180, Secs. 3, 4; New.)

33 Source Law

34 Sec. 3. The district includes the territory  
35 contained within Menard County, with the exception of  
36 the territory contained within the Hickory Underground  
37 Water Control District No. 1.

38 Sec. 4. The legislature finds that the  
39 boundaries of the district form a closure.

40 Revisor's Note

- 41 (1) Section 3, Chapter 180, Acts of the 72nd

1 Legislature, Regular Session, 1991, contains a  
2 description of the territory of the district. That  
3 description may not be accurate on the effective date  
4 of the revised law or at the time of a later reading  
5 because the district's boundaries are subject to  
6 change. For the reader's convenience, the revised law  
7 adds references to the authority to change the  
8 district's territory under Subchapter J or K, Chapter  
9 36, Water Code, applicable to groundwater conservation  
10 districts, and to the general authority of the  
11 legislature to enact other laws under which the  
12 district's territory may change.

13 (2) Section 3, Chapter 180, Acts of the 72nd  
14 Legislature, Regular Session, 1991, provides that the  
15 district includes the territory in Menard County with  
16 the exception of the territory in the "Hickory  
17 Underground Water Control District No. 1." The  
18 revised law substitutes "Hickory Underground Water  
19 Conservation District No. 1" for the quoted language  
20 because that is the official name of that district.  
21 See Section 8818.001 of this code.

22 The general rules of statutory construction  
23 provide that the delineation of a political  
24 subdivision's boundary by reference to that of another  
25 political subdivision refers to the boundary that  
26 existed at the time of the delineation. See Op. Tex.  
27 Att'y Gen. No. DM-186 (1992). (Hamilton County  
28 Hospital District boundaries do not change when  
29 commissioners precinct boundaries change.)  
30 Accordingly, the revised law defines the district  
31 boundaries as of the effective date of the act that  
32 made the boundaries coextensive with Menard County  
33 exclusive of the territory in the Hickory Underground  
34 Water Conservation District No. 1.

1           (3) Section 13, Chapter 180, Acts of the 72nd  
2           Legislature, Regular Session, 1991, provides that on  
3           the date on which the creation of the Menard County  
4           Underground Water District is confirmed, territory  
5           located in Menard County is excluded from and is no  
6           longer included in the boundaries of or subject to the  
7           jurisdiction of the Plateau Underground Water  
8           Conservation and Supply District. Because the  
9           creation of the Menard County Underground Water  
10          District has been confirmed, the revised law omits the  
11          provision as executed. The omitted law reads:

12                    Sec. 13. On the date on which  
13                    creation of the Menard County Underground  
14                    Water District is confirmed, the territory  
15                    located within the boundaries of Menard  
16                    County is excluded from and is no longer  
17                    included within the boundaries of the  
18                    Plateau Underground Water Conservation and  
19                    Supply District and is no longer subject to  
20                    the jurisdiction of the Plateau Underground  
21                    Water Conservation and Supply District.

22                                    Revisor's Note  
23                                    (End of Subchapter)

24          (1) Section 6(a), Chapter 180, Acts of the 72nd  
25          Legislature, Regular Session, 1991, provides that the  
26          act prevails over general law in case of a conflict or  
27          other inconsistency. The revised law omits the  
28          provision because it substantively duplicates Section  
29          311.026, Government Code (Code Construction Act). The  
30          omitted law reads:

31                           (a) . . . This Act prevails over any  
32                           provision of general law that is in conflict  
33                           or inconsistent with this Act.

34          (2) Section 6(b), Chapter 180, Acts of the 72nd  
35          Legislature, Regular Session, 1991, refers to the  
36          continuing right of this state to supervise the  
37          district through the Texas Commission on Environmental  
38          Quality. The revised law omits the provision because  
39          it substantively duplicates part of Section 12.081,  
40          Water Code, which applies to the district. The omitted

1 law reads:

2 (b) The rights, powers, privileges,  
3 authority, functions, and duties of the  
4 district are subject to the continuing  
5 right of supervision of the state to be  
6 exercised by and through the Texas  
7 Commission on Environmental Quality.

8 [Sections 8861.005-8861.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Revised Law

11 Sec. 8861.051. COMPOSITION OF BOARD; TERMS. (a) The  
12 district is governed by a board of five directors.

13 (b) Directors serve staggered four-year terms. (Acts 72nd  
14 Leg., R.S., Ch. 180, Secs. 7(a), (d).)

15 Source Law

16 Sec. 7. (a) The district is governed by a board  
17 of five directors.

18 (d) Permanent directors other than initial  
19 permanent directors serve staggered four-year terms.

20 Revisor's Note

21 (1) Section 7(d), Chapter 180, Acts of the 72nd  
22 Legislature, Regular Session, 1991, refers to  
23 "[p]ermanent directors other than initial permanent  
24 directors." The revised law omits "permanent" and  
25 "other than initial permanent." Sections 7(b), (c),  
26 and (d) refer to "temporary," "initial permanent," and  
27 "permanent" directors to distinguish between the  
28 original "temporary" directors, the "initial  
29 permanent" directors who immediately succeeded the  
30 "temporary" directors after the first election of  
31 directors, and subsequently serving "permanent"  
32 directors. For the reasons stated in the revisor's  
33 notes at the end of this subchapter, the revised law  
34 omits provisions regarding "temporary" and "initial  
35 permanent" directors. It is therefore no longer  
36 necessary to distinguish between "temporary,"  
37 "initial permanent," and "permanent" directors, and  
38 the revised law is drafted accordingly.

1           (2) Section 7(e), Chapter 180, Acts of the 72nd  
2           Legislature, Regular Session, 1991, provides that a  
3           director must qualify to serve in the manner provided  
4           by Sections 52.108 and 51.079, Water Code. The revised  
5           law omits the reference to Section 52.108, Water Code,  
6           because that section was repealed by Chapters 715 and  
7           933, Acts of the 74th Legislature, Regular Session,  
8           1995. The revised law also omits the reference to  
9           Section 51.079, Water Code, because that section was  
10          repealed by Chapter 715, Acts of the 74th Legislature,  
11          Regular Session, 1995. Chapter 715 also enacted  
12          Section 49.055, Water Code, which contains the  
13          qualification procedures for directors of certain  
14          districts. A reference to Section 49.055, Water Code,  
15          is unnecessary because that section applies to the  
16          district under Section 8861.101 of this chapter.  
17          Chapter 933 also enacted Section 36.055, Water Code,  
18          which contains the qualification procedures for a  
19          director of a groundwater conservation district. A  
20          reference to Section 36.055, Water Code, is  
21          unnecessary because that section applies to the  
22          district under Section 8861.101 of this chapter and  
23          Section 36.001(1), Water Code. The omitted law reads:

24                   (e) Each director must qualify to  
25                   serve as director in the manner provided by  
26                   Sections 52.108 and 51.079, Water Code.

27          (3) Section 7(f), Chapter 180, Acts of the 72nd  
28          Legislature, Regular Session, 1991, provides that a  
29          director serves until a successor has qualified. The  
30          revised law omits the provision because it duplicates  
31          Section 17, Article XVI, Texas Constitution, which  
32          provides that an officer in this state continues to  
33          perform the officer's official duties until a  
34          successor has qualified. The omitted law reads:

35                   (f) A director serves until the  
36                   director's successor has qualified.



1 election date of the first Saturday in May for all  
2 political subdivisions, indicating that the  
3 legislature intended the district's election to  
4 coincide with that uniform date. Chapter 1315, Acts of  
5 the 78th Legislature, Regular Session, 2003, amended  
6 Section 41.001, Election Code, to change the uniform  
7 election date in May to the third Saturday in May.  
8 Chapter 1, Acts of the 78th Legislature, 3rd Called  
9 Session, 2003, amended Section 41.001 to change the  
10 uniform election date in May back to the first Saturday  
11 in May. Chapter 471, Acts of the 79th Legislature,  
12 Regular Session, 2005, amended Section 41.001 to  
13 change the uniform election date in May to the second  
14 Saturday in May. The revised law, therefore,  
15 substitutes "uniform election date in May" for "same  
16 date" to reflect those changes and to preserve the  
17 legislative intent that the election be held on the  
18 uniform election date in May. In addition, the revised  
19 law adds "or another date authorized by law" to  
20 acknowledge other legislative enactments such as  
21 Section 41.0052, Election Code, as amended by Chapter  
22 1318, Acts of the 82nd Legislature, Regular Session,  
23 2011, that could result in the election being held on a  
24 date other than the uniform election date in May.

25 Revised Law

26 Sec. 8861.053. COMPENSATION; EXPENSES. A director is not  
27 entitled to compensation for service on the board but may be  
28 reimbursed as provided by board rules for expenses incurred in  
29 carrying out the business of the district. (Acts 72nd Leg., R.S.,  
30 Ch. 180, Sec. 7(g).)

31 Source Law

32 (g) A director is not entitled to compensation  
33 for service on the board of directors but may be  
34 reimbursed as provided by board rules for expenses  
35 incurred in carrying out the business of the district.

1 Revisor's Note  
2 (End of Subchapter)

3 (1) Sections 7(b) and (c), Chapter 180, Acts of  
4 the 72nd Legislature, Regular Session, 1991, provide  
5 for the terms of office of "temporary" and "initial  
6 permanent" directors of the district. The revised law  
7 omits Sections 7(b) and (c) as executed because the  
8 terms of the temporary and initial permanent directors  
9 have expired. The omitted law reads:

10 (b) Temporary directors serve until  
11 initial permanent directors are elected  
12 under Section 9 of this Act.

13 (c) Initial permanent directors  
14 serve until permanent directors are elected  
15 under Section 10 of this Act.

16 (2) Section 8, Chapter 180, Acts of the 72nd  
17 Legislature, Regular Session, 1991, names the  
18 temporary directors and provides for filling vacancies  
19 on the temporary board. Because the temporary  
20 directors were appointed and the terms of the  
21 temporary directors have expired, the revised law  
22 omits those provisions as executed. The omitted law  
23 reads:

24 Sec. 8. (a) The temporary board of  
25 directors is composed of:

26 (1) Carl A. Martin, Jr.

27 (2) Murph M. Compton

28 (3) Mark W. Jones

29 (4) A. B. Williams

30 (5) Bill Austin

31 (b) If a temporary director fails to  
32 qualify for office, the temporary directors  
33 who have qualified shall appoint a person to  
34 fill the vacancy. If at any time there are  
35 fewer than three qualified temporary  
36 directors, the Texas Water Commission shall  
37 appoint the necessary number of persons to  
38 fill all vacancies on the board.

39 (3) Section 9, Chapter 180, Acts of the 72nd  
40 Legislature, Regular Session, 1991, provides  
41 procedures for holding an election to confirm the  
42 district's creation and to elect the district's initial  
43 board. The revised law omits those provisions as  
44 executed because the district has been confirmed and  
45 its initial board has been elected. The omitted law

1 reads:

2 Sec. 9. (a) The temporary board of  
3 directors shall call and hold an election to  
4 confirm establishment of the district and  
5 to elect five initial directors.

6 (b) A person who desires to be a  
7 candidate for the office of initial  
8 director may file an application with the  
9 temporary board to have the candidate's name  
10 printed on the ballot as provided by Section  
11 52.107, Water Code.

12 (c) At the confirmation and initial  
13 directors' election, the temporary board of  
14 directors shall have the names of the five  
15 persons serving as temporary directors  
16 placed on the ballot together with the name  
17 of any candidate filing for the office of  
18 director as provided by Subsection (b) of  
19 this section and blank spaces to write in  
20 the names of other persons. If the district  
21 is created at the election, the temporary  
22 directors, at the time the vote is  
23 canvassed, shall declare the five persons  
24 who receive the most votes to be elected as  
25 the initial directors and shall include the  
26 results of the directors' election in its  
27 election report to the Texas Water  
28 Commission.

29 (d) Subsection (a), Section 41.001,  
30 Election Code, does not apply to a  
31 confirmation and initial directors'  
32 election held as provided by this section.

33 (e) Except as provided by this  
34 section, a confirmation and initial  
35 directors' election must be conducted as  
36 provided by Subsections (b) through (g),  
37 Section 52.059, Water Code, and the  
38 Election Code.

39 (4) Section 12, Chapter 180, Acts of the 72nd  
40 Legislature, Regular Session, 1991, provides that a  
41 person designated under that chapter as a temporary  
42 director of the Menard County Underground Water  
43 District serves in that capacity as an additional duty  
44 of office as a director of the Menard County Water  
45 Control and Improvement District No. 1. The revised  
46 law omits Section 12 as executed because the terms of  
47 the temporary directors of the Menard County  
48 Underground Water District have expired. The omitted  
49 law reads:

50 Sec. 12. Each person designated  
51 under this Act as a temporary director for  
52 the Menard County Underground Water  
53 District serves in that capacity as an  
54 additional duty of office as a director of  
55 the Menard County Water Control and

1 Improvement District No. 1.

2 [Sections 8861.054-8861.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Revised Law

5 Sec. 8861.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
6 AND DUTIES. The district has the rights, powers, privileges,  
7 functions, and duties provided by the general law of this state,  
8 including Chapters 36 and 49, Water Code, applicable to groundwater  
9 conservation districts created under Section 59, Article XVI, Texas  
10 Constitution. (Acts 72nd Leg., R.S., Ch. 180, Sec. 6(a) (part).)

11 Source Law

12 Sec. 6. (a) The district has all of the rights,  
13 powers, privileges, authority, functions, and duties  
14 provided by the general law of this state, including  
15 Chapters 36 and 49, Water Code, applicable to  
16 underground water conservation districts created  
17 under Article XVI, Section 59, of the Texas  
18 Constitution. . . .

19 Revisor's Note

20 (1) Section 6(a), Chapter 180, Acts of the 72nd  
21 Legislature, Regular Session, 1991, refers to the  
22 "rights, powers, privileges, [and] authority" of the  
23 district. The revised law omits the reference to  
24 "authority" because, in context, "authority" is  
25 included in the meaning of "rights, powers, [and]  
26 privileges."

27 (2) Section 6(a), Chapter 180, Acts of the 72nd  
28 Legislature, Regular Session, 1991, refers to  
29 "underground water conservation districts." The  
30 revised law substitutes "groundwater conservation  
31 districts" for the quoted language for the reason  
32 stated in Revisor's Note (1) to Section 8861.002.

33 Revised Law

34 Sec. 8861.102. AUTHORITY OF DISTRICT TO REQUIRE PERMITS FOR  
35 CERTAIN WELLS. The district may require a permit for a well used  
36 for domestic purposes or to provide water for livestock, poultry,  
37 or wildlife if the well is:

38 (1) on a tract of land smaller than 100 acres;

- 1 (2) less than 500 feet deep; and  
2 (3) drilled, completed, or equipped so that the well  
3 is capable of producing more than 9,000 gallons of groundwater per  
4 day. (Acts 72nd Leg., R.S., Ch. 180, Sec. 6A.)

5 Source Law

6 Sec. 6A. The district may require a permit for a  
7 well used for domestic purposes or to provide water for  
8 livestock, poultry, or wildlife if the well is:

- 9 (1) on a tract of land smaller than 100  
10 acres;  
11 (2) less than 500 feet deep; and  
12 (3) drilled, completed, or equipped so  
13 that it is capable of producing more than 9,000 gallons  
14 of groundwater per day.

15 Revisor's Note  
16 (End of Chapter)

17 Section 14, Chapter 180, Acts of the 72nd  
18 Legislature, Regular Session, 1991, recites  
19 legislative findings regarding procedural  
20 requirements for legislation affecting the district  
21 under the constitution and other laws and rules,  
22 including proper legal notice and the filing of  
23 recommendations. The revised law omits those  
24 provisions as executed. The omitted law reads:

25 Sec. 14. (a) The proper and legal  
26 notice of the intention to introduce this  
27 Act, setting forth the general substance of  
28 this Act, has been published as provided by  
29 law, and the notice and a copy of this Act  
30 have been furnished to all persons,  
31 agencies, officials, or entities to which  
32 they are required to be furnished by the  
33 constitution and other laws of this state,  
34 including the governor, who has submitted  
35 the notice and Act to the Texas Water  
36 Commission.

37 (b) The Texas Water Commission has  
38 filed its recommendations relating to this  
39 Act with the governor, lieutenant governor,  
40 and speaker of the house of representatives  
41 within the required time.

42 (c) All requirements of the  
43 constitution and laws of this state and the  
44 rules and procedures of the legislature  
45 with respect to the notice, introduction,  
46 and passage of this Act are fulfilled and  
47 accomplished.

48 CHAPTER 8862. MIDDLE TRINITY GROUNDWATER CONSERVATION DISTRICT

49 SUBCHAPTER A. GENERAL PROVISIONS

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5 SUBCHAPTER B. BOARD OF DIRECTORS

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13 Sec. 8862.056. COMPOSITION OF BOARD AND ELECTION OF

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16 [Sections 8862.057-8862.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 8862.101. GROUNDWATER CONSERVATION DISTRICT

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24 CHAPTER 8862. MIDDLE TRINITY GROUNDWATER CONSERVATION DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Revised Law

27 Sec. 8862.001. DEFINITIONS. In this chapter:

28 (1) "Board" means the district's board of directors.

29 (2) "Director" means a board member.

30 (3) "District" means the Middle Trinity Groundwater

31 Conservation District. (Acts 77th Leg., R.S., Ch. 1362, Sec. 2.)

32 Source Law

33 Sec. 2. In this Act:

34 (1) "Board" means the district's board of

35 directors.

36 (2) "Director" means a board member.

1 (3) "District" means the Middle Trinity  
2 Groundwater Conservation District.

3 Revised Law

4 Sec. 8862.002. NATURE OF DISTRICT. The district is a  
5 groundwater conservation district created under and essential to  
6 accomplish the purposes of Section 59, Article XVI, Texas  
7 Constitution. (Acts 77th Leg., R.S., Ch. 1362, Secs. 1(a) (part),  
8 (b).)

9 Source Law

10 Sec. 1. (a) A groundwater conservation  
11 district, to be known as the Middle Trinity  
12 Groundwater Conservation District, is created in Erath  
13 and Comanche counties. . . .

14 (b) The district is created under and is  
15 essential to accomplish the purposes of Section 59,  
16 Article XVI, Texas Constitution.

17 Revisor's Note

18 (1) Section 1, Chapter 1362, Acts of the 77th  
19 Legislature, Regular Session, 2001, provides that the  
20 district is created in Erath and Comanche Counties.  
21 Bosque and Coryell Counties were added to the district  
22 in May and November of 2009, respectively. The revised  
23 law therefore omits the reference to Erath and  
24 Comanche Counties because that limited reference would  
25 be misleading as a result of the district's expansion.

26 (2) Section 1(a), Chapter 1362, Acts of the 77th  
27 Legislature, Regular Session, 2001, provides that the  
28 district is a governmental agency and body politic and  
29 corporate. The revised law omits that provision  
30 because it duplicates a portion of Section 59(b),  
31 Article XVI, Texas Constitution, which provides that a  
32 conservation and reclamation district is a  
33 governmental agency and body politic and corporate.  
34 The omitted law reads:

35 (a) . . . The district is a  
36 governmental agency and a body politic and  
37 corporate.

38 Revised Law

39 Sec. 8862.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The

1 district is created to serve a public use and benefit.

2 (b) All land and other property included in the district  
3 will benefit from the works and projects accomplished by the  
4 district under the powers conferred by Section 59, Article XVI,  
5 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1362, Sec. 4.)

6 Source Law

7 Sec. 4. All of the land and other property  
8 included within the boundaries of the district will be  
9 benefited by the works and projects that are to be  
10 accomplished by the district under powers conferred by  
11 Section 59, Article XVI, Texas Constitution. The  
12 district is created to serve a public use and benefit.

13 Revised Law

14 Sec. 8862.004. DISTRICT TERRITORY. The district's  
15 boundaries are coextensive with the boundaries of Erath, Comanche,  
16 Bosque, and Coryell Counties, unless the district's territory has  
17 been modified under:

- 18 (1) Subchapter J or K, Chapter 36, Water Code; or  
19 (2) other law. (Acts 77th Leg., R.S., Ch. 1362, Sec.  
20 3; New.)

21 Source Law

22 Sec. 3. The boundaries of the district are  
23 coextensive with the boundaries of Erath and Comanche  
24 counties.

25 Revisor's Note

26 Section 3, Chapter 1362, Acts of the 77th  
27 Legislature, Regular Session, 2001, contains a  
28 description of the territory of the district. Because  
29 the district's boundaries have changed since the  
30 enactment of the statutory language (see Revisor's  
31 Note (1) to Section 8862.002), the revised law  
32 includes a reference to Bosque and Coryell Counties,  
33 which were added to the district in 2009. In addition,  
34 because the district's boundaries are subject to  
35 further change, the revised law contains a reference  
36 to the authority to change the district's territory  
37 under Subchapter J or K, Chapter 36, Water Code,  
38 applicable to groundwater conservation districts. The

1 revised law also adds a reference to the general  
2 authority of the legislature to enact other laws under  
3 which the district's territory may change.

4 Revisor's Note  
5 (End of Subchapter)

6 (1) Section 5(a), Chapter 1362, Acts of the 77th  
7 Legislature, Regular Session, 2001, provides that the  
8 act prevails over general law in case of a conflict or  
9 other inconsistency. The revised law omits the  
10 provision because it substantively duplicates Section  
11 311.026, Government Code (Code Construction Act). The  
12 omitted law reads:

13 (a) . . . This Act prevails over any  
14 provision of general law that is in conflict  
15 or inconsistent with this Act.

16 (2) Section 5(b), Chapter 1362, Acts of the 77th  
17 Legislature, Regular Session, 2001, provides that  
18 certain provisions of the Water Code prevail over a  
19 conflicting or inconsistent provision of the act. The  
20 revised law omits Section 5(b) because it  
21 substantially duplicates Section 36.052(b), Water  
22 Code, which provides that the provisions of the Water  
23 Code referenced in Section 5(b), in addition to  
24 Section 36.107, Water Code, prevail over a conflicting  
25 or inconsistent provision of a special law that  
26 governs a specific district. Although Section 5(b)  
27 does not reference Section 36.107, Water Code, that  
28 section of Chapter 36 is not in conflict or  
29 inconsistent with any provision of this chapter. The  
30 omitted law reads:

31 (b) Notwithstanding Subsection (a)  
32 of this section, the following provisions  
33 prevail over a conflicting or inconsistent  
34 provision of this part:

- 35 (1) Sections 36.1071-36.108,  
36 Water Code;  
37 (2) Sections 36.159-36.161,  
38 Water Code; and  
39 (3) Subchapter I, Chapter 36,  
40 Water Code.

1           (3) Section 5(c), Chapter 1362, Acts of the 77th  
2           Legislature, Regular Session, 2001, provides that  
3           Chapter 49, Water Code, does not apply to the district.  
4           The revised law omits the provision as unnecessary.

5           Section 49.002(b), Water Code, provides that  
6           Chapter 49 does not apply to a district governed by  
7           Chapter 36 unless a special law creating the district  
8           or amending the law creating the district states that  
9           Chapter 49 applies to that district. The district is  
10          governed by Chapter 36, Water Code, under Section  
11          5(a), Chapter 1362, Acts of the 77th Legislature,  
12          Regular Session, 2001, revised in this chapter as  
13          Section 8862.101, and Section 36.001(1), Water Code.  
14          Because the district is governed by Chapter 36, Water  
15          Code, and the special law creating the district does  
16          not state that Chapter 49 of that code applies to the  
17          district, Chapter 49 does not apply to the district.  
18          The omitted law reads:

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

21           [Sections 8862.005-8862.050 reserved for expansion]

## 22                   SUBCHAPTER B. BOARD OF DIRECTORS

### 23                           Revised Law

24           Sec. 8862.051. COMPOSITION OF BOARD; TERMS. (a) Except as  
25           provided by Subsection (c) and Sections 8862.055 and 8862.056, the  
26           district is governed by a board of six directors.

27           (b) Directors serve staggered four-year terms.

28           (c) The board by resolution may change the number of  
29           directors elected from a county in the district for the purpose of  
30           equalizing representation of the residents of the district.

31           (d) Section 36.051(a), Water Code, does not apply to the  
32           district. (Acts 77th Leg., R.S., Ch. 1362, Secs. 6(a), (d), (g),  
33           9(c).)

### 34                           Source Law

35           Sec. 6. (a) Except as provided by Sections 10,

1 11A, and 11B of this Act, the district is governed by a  
2 board of six directors.

3 (d) Permanent directors serve staggered  
4 four-year terms.

5 (g) Section 36.051(a), Water Code, does not  
6 apply to the district.

7 [Sec. 9]

8 (c) The board by resolution may change the  
9 number of directors elected from a county in the  
10 district for the purpose of equalizing representation  
11 of the residents of the district.

12 Revisor's Note

13 (1) Section 6(a), Chapter 1362, Acts of the 77th  
14 Legislature, Regular Session, 2001, refers to Section  
15 10 of that act. The revised law omits the reference to  
16 Section 10 as unnecessary because, for the reasons  
17 stated in Revisor's Note (2) at the end of Subchapter B  
18 of this chapter, the revised law also omits Section 10  
19 as executed. The revised law is drafted accordingly.

20 (2) Section 6(d), Chapter 1362, Acts of the 77th  
21 Legislature, Regular Session, 2001, refers to  
22 "[p]ermanent" directors. The revised law omits  
23 "[p]ermanent." Sections 6(b), (c), and (d) refer to  
24 "temporary," "initial," and "permanent" directors to  
25 distinguish between the original "temporary"  
26 directors, the "initial" directors who immediately  
27 succeeded the "temporary" directors after the first  
28 election of directors, and subsequently serving  
29 "permanent" directors. For the reasons stated in the  
30 revisor's notes at the end of this subchapter, the  
31 revised law omits provisions regarding "temporary" and  
32 "initial" directors. It is therefore no longer  
33 necessary to distinguish between "temporary,"  
34 "initial," and "permanent" directors, and the revised  
35 law is drafted accordingly.

36 (3) Section 6(e), Chapter 1362, Acts of the 77th  
37 Legislature, Regular Session, 2001, provides that a  
38 director must qualify to serve in the manner provided

1 by Section 36.055, Water Code. The revised law omits  
2 the provision because Section 36.055, Water Code,  
3 applies to the district under Section 8862.101 of this  
4 chapter and Section 36.001(1), Water Code. The  
5 omitted law reads:

6 (e) Each director must qualify to  
7 serve as director in the manner provided by  
8 Section 36.055, Water Code.

9 (4) Section 6(f), Chapter 1362, Acts of the 77th  
10 Legislature, Regular Session, 2001, provides that a  
11 director serves until a successor has qualified. The  
12 revised law omits the provision because it duplicates  
13 Section 17, Article XVI, Texas Constitution, which  
14 provides that an officer in this state continues to  
15 perform the officer's official duties until a  
16 successor has qualified. The omitted law reads:

17 (f) A director serves until the  
18 director's successor has qualified.

19 Revised Law

20 Sec. 8862.052. ELECTION OF DIRECTORS. Except as provided  
21 by Sections 8862.051(c) and 8862.056, three directors shall be  
22 elected from each county in the district. (Acts 77th Leg., R.S., Ch.  
23 1362, Sec. 9(a).)

24 Source Law

25 Sec. 9. (a) Except as provided by Subsection  
26 (c) of this section and Sections 10 and 11B of this  
27 Act, three directors shall be elected from each county  
28 in the district.

29 Revised Law

30 Sec. 8862.053. ELECTION DATE. Except as provided by  
31 Sections 8862.055 and 8862.056, each even-numbered year, on the  
32 uniform election date in May or another date authorized by law, the  
33 appropriate number of directors shall be elected. (Acts 77th Leg.,  
34 R.S., Ch. 1362, Sec. 11(b).)

35 Source Law

36 (b) Except as provided by Sections 11A and 11B  
37 of this Act, on the uniform election date in May of  
38 each even-numbered year, the appropriate number of  
39 directors shall be elected.

1 Revisor's Note

2 Section 11(b), Chapter 1362, Acts of the 77th  
3 Legislature, Regular Session, 2001, requires board  
4 elections to be held on the "uniform election date in  
5 May of each even-numbered year." The revised law adds  
6 "or another date authorized by law" to acknowledge  
7 that other legislative enactments such as Section  
8 41.0052, Election Code, as amended by Chapter 1318,  
9 Acts of the 82nd Legislature, Regular Session, 2011,  
10 could result in the election being held on a date other  
11 than the uniform election date in May.

12 Revised Law

13 Sec. 8862.054. QUALIFICATION FOR OFFICE. To be qualified  
14 to be a candidate for or serve as director, a person must be a  
15 registered voter in the county the person seeks to represent. (Acts  
16 77th Leg., R.S., Ch. 1362, Sec. 9(b).)

17 Source Law

18 (b) To be qualified to be a candidate for or to  
19 serve as director, a person must be a registered voter  
20 in the county the person seeks to represent.

21 Revised Law

22 Sec. 8862.055. COMPOSITION OF BOARD AND ELECTION OF  
23 DIRECTORS FOLLOWING ANNEXATION OF ONE OR TWO COUNTIES. (a) This  
24 section applies only following the annexation by the district under  
25 Subchapter J, Chapter 36, Water Code, of the territory of one or two  
26 additional counties.

27 (b) Not later than the 90th day after the date of an election  
28 in which the annexation of a county to the district is ratified by a  
29 majority vote of the voters of that county, the commissioners court  
30 of the annexed county shall appoint three temporary directors to  
31 the board. Temporary directors serve until initial permanent  
32 directors are elected under Subsection (c).

33 (c) In the first odd-numbered year following the election in  
34 which annexation of a county is ratified, on the uniform election  
35 date in May or another date authorized by law, initial permanent

1 directors shall be elected from that county. The initial permanent  
2 directors from the county shall draw lots to determine who will  
3 serve a four-year term and who will serve a two-year term.

4 (d) In each odd-numbered year following the election of  
5 initial permanent directors under Subsection (c), on the uniform  
6 election date in May or another date authorized by law, the  
7 appropriate number of directors from the annexed county shall be  
8 elected. (Acts 77th Leg., R.S., Ch. 1362, Sec. 11A.)

9 Source Law

10 Sec. 11A. (a) This section applies only  
11 following the annexation by the district under  
12 Subchapter J, Chapter 36, Water Code, after January 1,  
13 2009, of the territory of one or two additional  
14 counties.

15 (b) Not later than the 90th day after the date of  
16 an election in which the annexation of a county to the  
17 district is ratified by a majority vote of the voters  
18 of that county, the commissioners court of the annexed  
19 county shall appoint three temporary directors to the  
20 board. Temporary directors serve until initial  
21 permanent directors are elected under Subsection (c)  
22 of this section.

23 (c) Initial permanent directors shall be  
24 elected from a county that is annexed by the district  
25 on the uniform election date in May of the first  
26 odd-numbered year following the election in which  
27 annexation of that county is ratified. The initial  
28 permanent directors from the county shall draw lots to  
29 determine who will serve a four-year term and who will  
30 serve a two-year term.

31 (d) On the uniform election date in May of each  
32 odd-numbered year following the election of initial  
33 permanent directors under Subsection (c) of this  
34 section, the appropriate number of directors from a  
35 county that is annexed by the district shall be  
36 elected.

37 Revisor's Note

38 (1) Section 11A(a), Chapter 1362, Acts of the  
39 77th Legislature, Regular Session, 2001, provides that  
40 the section applies only to the annexation by the  
41 district of the territory of one or more additional  
42 counties after January 1, 2009. The revised law omits  
43 the reference to that date as unnecessary because the  
44 district did not annex the territory of one or more  
45 additional counties before that date (see Revisor's  
46 Note (1) to Section 8862.002) and because the  
47 effective date of the revised law is also after that

1 date.

2 (2) Sections 11A(c) and (d), Chapter 1362, Acts  
3 of the 77th Legislature, Regular Session, 2001,  
4 require certain board elections to be held on "the  
5 uniform election date in May" of odd-numbered years.  
6 For the reason stated in the revisor's note to Section  
7 8862.053, the revised law adds "or another date  
8 authorized by law."

9 Revised Law

10 Sec. 8862.056. COMPOSITION OF BOARD AND ELECTION OF  
11 DIRECTORS FOLLOWING ANNEXATION OF MORE THAN TWO COUNTIES. (a) This  
12 section applies only following the annexation by the district under  
13 Subchapter J, Chapter 36, Water Code, of the territory of a third  
14 additional county or the simultaneous or subsequent annexation of  
15 the territory of other additional counties.

16 (b) After annexation, two directors shall be elected from  
17 each county in the district as provided by this section.

18 (c) Not later than the 90th day after the date of an election  
19 in which the annexation of a county is ratified by a majority vote  
20 of the voters of that county, the commissioners court of each  
21 annexed county shall appoint two temporary directors to the board.  
22 Temporary directors serve until initial permanent directors are  
23 elected under Subsection (d).

24 (d) In the first odd-numbered year following the election in  
25 which annexation of a county is ratified, on the uniform election  
26 date in May or another date authorized by law, initial permanent  
27 directors shall be elected from that county. The initial permanent  
28 directors from the county shall draw lots to determine who will  
29 serve a four-year term and who will serve a two-year term.

30 (e) On the date of the next regularly scheduled directors'  
31 election in an even-numbered year following the election in which  
32 annexation of a county is ratified:

33 (1) one director position from Comanche County and one  
34 director position from Erath County are abolished; and

1 (2) the terms of the directors serving in those  
2 positions expire on the date of the election.

3 (f) On the date of the next regularly scheduled directors'  
4 election in an odd-numbered year following the election in which  
5 annexation of the county is ratified:

6 (1) one director position from each of the first two  
7 counties annexed by the district is abolished; and

8 (2) the terms of the directors serving in those  
9 positions expire on the date of the election.

10 (g) If more than one position described by Subsection (e)(1)  
11 or (f)(1) is scheduled for election in Comanche County, Erath  
12 County, or one of the first two counties annexed by the district,  
13 the directors of the county shall draw lots to determine which  
14 position shall be abolished in accordance with Subsections (e) and  
15 (f).

16 (h) Each odd-numbered year following the election of  
17 initial permanent directors under Subsection (d), on the uniform  
18 election date in May or another date authorized by law, the  
19 appropriate number of directors from the annexed county shall be  
20 elected. (Acts 77th Leg., R.S., Ch. 1362, Sec. 11B.)

21 Source Law

22 Sec. 11B. (a) This section applies only  
23 following the annexation by the district under  
24 Subchapter J, Chapter 36, Water Code, after January 1,  
25 2009, of the territory of a third additional county or  
26 the simultaneous or subsequent annexation of the  
27 territory of other additional counties.

28 (b) After annexation, two directors shall be  
29 elected from each county in the district as provided by  
30 this section.

31 (c) Not later than the 90th day after the date of  
32 an election in which the annexation of a county is  
33 ratified by a majority vote of the voters of that  
34 county, the commissioners court of each annexed county  
35 shall appoint two temporary directors to the board.  
36 Temporary directors serve until initial permanent  
37 directors are elected under Subsection (d) of this  
38 section.

39 (d) Initial permanent directors shall be  
40 elected from any county that is annexed by the district  
41 on the uniform election date in May of the first  
42 odd-numbered year following the election in which  
43 annexation of that county is ratified. The initial  
44 permanent directors from the county shall draw lots to  
45 determine who will serve a four-year term and who will  
46 serve a two-year term.

47 (e) On the date of the next regularly scheduled

1 directors' election in an even-numbered year following  
2 the election in which annexation of a county is  
3 ratified:

4 (1) one director position from Comanche  
5 County and one director position from Erath County are  
6 abolished; and

7 (2) the terms of the directors serving in  
8 those positions expire on the date of the election.

9 (f) On the date of the next regularly scheduled  
10 directors' election in an odd-numbered year following  
11 the election in which annexation of the county is  
12 ratified:

13 (1) one director position from each of the  
14 first two counties annexed by the district after  
15 January 1, 2009, is abolished; and

16 (2) the terms of the directors serving in  
17 those positions expire on the date of the election.

18 (g) If more than one position described by  
19 Subsection (e)(1) or (f)(1) of this section is  
20 scheduled for election in Comanche County, Erath  
21 County, or one of the first two counties annexed by the  
22 district after January 1, 2009, the directors of the  
23 county shall draw lots to determine which position  
24 shall be abolished in accordance with Subsections (e)  
25 and (f) of this section.

26 (h) On the uniform election date in May of each  
27 odd-numbered year following the election of initial  
28 permanent directors under Subsection (d) of this  
29 section, the appropriate number of directors from a  
30 county that is annexed by the district shall be  
31 elected.

32 Revisor's Note

33 (1) Section 11B(a), Chapter 1362, Acts of the  
34 77th Legislature, Regular Session, 2001, provides that  
35 the section applies only to the annexation by the  
36 district of the territory of a third additional county  
37 or the simultaneous or subsequent annexation of the  
38 territory of other additional counties after January  
39 1, 2009. The revised law omits the reference to that  
40 date as unnecessary because the territory of only two  
41 counties, Bosque and Coryell Counties, was annexed by  
42 the district after that date (see Revisor's Note (1) to  
43 Section 8862.002) and before the effective date of the  
44 revised law. Additionally, if the district annexes a  
45 third or subsequent county under Section 8862.056 of  
46 the revised law, that annexation will occur after  
47 January 1, 2009, because the effective date of the  
48 revised law is after that date.

49 Similarly, Sections 11B(f) and (g), Chapter 1362,  
50 Acts of the 77th Legislature, Regular Session, 2001,

1 refer to the first two counties annexed by the district  
2 "after January 1, 2009." The revised law also omits  
3 these references to January 1, 2009, as unnecessary  
4 because Bosque and Coryell Counties, the first two and  
5 only counties to be annexed by the district, were  
6 annexed by the district after that date.

7 (2) Sections 11B(d) and (h), Chapter 1362, Acts  
8 of the 77th Legislature, Regular Session, 2001,  
9 require certain board elections to be held on "the  
10 uniform election date in May" of certain years. For  
11 the reason stated in the revisor's note to Section  
12 8862.053, the revised law adds "or another date  
13 authorized by law."

14 Revisor's Note  
15 (End of Subchapter)

16 (1) Section 6(c), Chapter 1362, Acts of the 77th  
17 Legislature, Regular Session, 2001, requires initial  
18 directors to serve until permanent directors are  
19 appointed. Because the terms of the initial directors  
20 have expired, the revised law omits that provision as  
21 executed. The omitted law reads:

22 (c) Initial directors serve until  
23 permanent directors are elected under  
24 Section 11 of this Act.

25 (2) Section 10, Chapter 1362, Acts of the 77th  
26 Legislature, Regular Session, 2001, describes the  
27 composition of the initial board of directors. Because  
28 the initial directors have been elected, the revised  
29 law omits that provision as executed. The omitted law  
30 reads:

31 Sec. 10. The initial board of  
32 directors is composed of two directors  
33 elected from each county in the district.

34 (3) Section 11(a), Chapter 1362, Acts of the  
35 77th Legislature, Regular Session, 2001, provides  
36 procedures for holding an election to elect the  
37 district's "initial permanent" directors. Because

1 initial directors have been elected, the revised law  
2 omits that provision as executed. The omitted law  
3 reads:

4 Sec. 11. (a) On the first Saturday  
5 in May 2004, an election shall be held in  
6 each county in the district for the election  
7 of permanent directors. The initial  
8 permanent directors from each county shall  
9 draw lots to determine which county will  
10 have two initial permanent directors who  
11 serve four-year terms and one initial  
12 permanent director who serves a two-year  
13 term and which county will have two initial  
14 permanent directors who serve two-year  
15 terms and one initial permanent director  
16 who serves a four-year term. The initial  
17 permanent directors from each county shall  
18 draw lots to determine the length of the  
19 term that each initial permanent director  
20 from that county will serve.

21 [Sections 8862.057-8862.100 reserved for expansion]

22 SUBCHAPTER C. POWERS AND DUTIES

23 Revised Law

24 Sec. 8862.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
25 AND DUTIES. The district has the rights, powers, privileges,  
26 functions, and duties provided by the general law of this state,  
27 including Chapter 36, Water Code, applicable to groundwater  
28 conservation districts created under Section 59, Article XVI, Texas  
29 Constitution. (Acts 77th Leg., R.S., Ch. 1362, Sec. 5(a) (part).)

30 Source Law

31 Sec. 5. (a) The district has all of the rights,  
32 powers, privileges, authority, functions, and duties  
33 provided by the general law of this state, including  
34 Chapter 36, Water Code, applicable to groundwater  
35 conservation districts created under Section 59,  
36 Article XVI, Texas Constitution. . . .

37 Revisor's Note

38 Section 5(a), Chapter 1362, Acts of the 77th  
39 Legislature, Regular Session, 2001, refers to the  
40 "rights, powers, privileges, [and] authority" of the  
41 district. The revised law omits the reference to  
42 "authority" because, in context, "authority" is  
43 included in the meaning of "rights, powers, [and]  
44 privileges."

1 Revised Law

2 Sec. 8862.102. DISTRICT RULES; ENFORCEMENT. (a) Any rules  
3 adopted by the district as authorized by this chapter and Chapter  
4 36, Water Code, apply to all persons and entities except as exempted  
5 under Section 36.117, Water Code.

6 (b) The district may enforce its rules and the provisions of  
7 Chapter 36, Water Code, in the manner authorized by that chapter. In  
8 addition to the remedies provided under Section 36.102, Water Code,  
9 the district may impose a fee on a person or entity for violation of  
10 a rule of the district or failure to comply with an order issued by  
11 the district. (Acts 77th Leg., R.S., Ch. 1362, Sec. 13, as added  
12 Acts 81st Leg., R.S., Ch. 521.)

13 Source Law

14 Sec. 13. (a) Any rules adopted by the district  
15 as authorized by this Act and Chapter 36, Water Code,  
16 apply to all persons and entities except as exempted  
17 under Section 36.117, Water Code.

18 (b) The district may enforce its rules and the  
19 provisions of Chapter 36, Water Code, in the manner  
20 authorized by Chapter 36, Water Code. In addition to  
21 the remedies under Section 36.102, Water Code, the  
22 district may impose a fee on a person or entity for  
23 violation of a rule of the district or failure to  
24 comply with an order issued by the district.

25 [Sections 8862.103-8862.150 reserved for expansion]

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Revised Law

28 Sec. 8862.151. MAINTENANCE AND OPERATION TAX. To pay the  
29 maintenance and operating expenses of the district, the board of  
30 directors may impose taxes annually at a rate not to exceed five  
31 cents on each \$100 of assessed valuation. (Acts 77th Leg., R.S., Ch.  
32 1362, Sec. 12.)

33 Source Law

34 Sec. 12. The board of directors may impose taxes  
35 annually to pay the maintenance and operating expenses  
36 of the district at a rate not to exceed five cents on  
37 each \$100 of assessed valuation.

38 Revisor's Note  
39 (End of Chapter)

40 (1) Section 1, Chapter 893, Acts of the 78th  
41 Legislature, Regular Session, 2003, abolishes the

1 temporary board of the district and validates certain  
2 actions of the district taken before June 20, 2003.  
3 The revised law omits that portion of Section 1(d)  
4 abolishing the temporary board because the board was  
5 abolished on the effective date of the act, and the  
6 provision is executed law. Section 311.031(a)(2),  
7 Government Code (Code Construction Act), provides that  
8 the repeal of a statute does not affect any validation  
9 previously made under the statute. Therefore, the  
10 omission of the executed validation provision does not  
11 affect the validation. The omitted law reads:

12           Sec. 1. (a) The creation of the  
13 Middle Trinity Groundwater Conservation  
14 District under Chapter 1362, Acts of the  
15 77th Legislature, Regular Session, 2001,  
16 composed of the territory in Erath County is  
17 validated as of the date of the election  
18 held on May 4, 2002, at which the voters of  
19 Erath County approved the confirmation of  
20 the district and the levy of a maintenance  
21 tax by the district. All acts and  
22 proceedings relating to the creation of the  
23 district in Erath County, the levy of a  
24 maintenance tax in Erath County for 2002, or  
25 the election of initial directors from  
26 Erath County are validated as of the dates  
27 they occurred.

28           (b) The addition of the territory in  
29 Comanche County to the Middle Trinity  
30 Groundwater Conservation District under  
31 Chapter 1362, Acts of the 77th Legislature,  
32 Regular Session, 2001, is validated as of  
33 the date of the election held on November 5,  
34 2002, at which the voters of Comanche County  
35 approved the levy of a maintenance tax for  
36 the district. All acts and proceedings  
37 relating to the addition of that territory  
38 to the district, the levy of a maintenance  
39 tax in Erath and Comanche counties for 2003,  
40 and the election of initial directors from  
41 Comanche County are validated as of the  
42 dates they occurred.

43           (c) A governmental act or proceeding  
44 of the Middle Trinity Groundwater  
45 Conservation District occurring after an  
46 act or proceeding validated by this Act may  
47 not be held invalid on the ground that the  
48 prior act or proceeding, in the absence of  
49 this Act, was invalid.

50           (d) The temporary board of directors  
51 established by Chapter 1362, Acts of the  
52 77th Legislature, Regular Session, 2001,  
53 for the Middle Trinity Groundwater  
54 Conservation District is abolished on the  
55 effective date of this Act. Any proceedings  
56 of the temporary board of directors pending  
57 on the effective date of this Act are

1 dismissed on that date. Any act of the  
2 temporary board of directors that conflicts  
3 with the validation of the district as  
4 provided by this section is void.

5 (e) This section does not apply to  
6 any matter that on the effective date of  
7 this Act:

8 (1) is involved in litigation  
9 if the litigation ultimately results in the  
10 matter being held invalid by a final  
11 judgment of a court of competent  
12 jurisdiction; or

13 (2) has been held invalid by a  
14 final judgment of a court of competent  
15 jurisdiction.

16 (2) Section 13, Chapter 1362, Acts of the 77th  
17 Legislature, Regular Session, 2001, and Section 8,  
18 Chapter 521, Acts of the 81st Legislature, Regular  
19 Session, 2009, recite legislative findings regarding  
20 procedural requirements for legislation affecting the  
21 district under the constitution and other laws and  
22 rules, including proper legal notice and the filing of  
23 recommendations. The revised law omits those  
24 provisions as executed. The omitted law reads:

25 [Acts 77th Leg., R.S., Ch. 1362]

26 Sec. 13. (a) The proper and legal  
27 notice of the intention to introduce this  
28 Act, setting forth the general substance of  
29 this Act, has been published as provided by  
30 law, and the notice and a copy of this Act  
31 have been furnished to all persons,  
32 agencies, officials, or entities to which  
33 they are required to be furnished by the  
34 constitution and other laws of this state,  
35 including the governor, who has submitted  
36 the notice and Act to the Texas Natural  
37 Resource Conservation Commission.

38 (b) The Texas Natural Resource  
39 Conservation Commission has filed its  
40 recommendations relating to this Act with  
41 the governor, lieutenant governor, and  
42 speaker of the house of representatives  
43 within the required time.

44 (c) All requirements of the  
45 constitution and laws of this state and the  
46 rules and procedures of the legislature  
47 with respect to notice, introduction, and  
48 passage of this Act are fulfilled and  
49 accomplished.

50 [Acts 81st Leg., R.S., Ch. 521]

51 Sec. 8. (a) The legal notice of the  
52 intention to introduce this Act, setting  
53 forth the general substance of this Act, has  
54 been published as provided by law, and the  
55 notice and a copy of this Act have been  
56 furnished to all persons, agencies,  
57 officials, or entities to which they are  
58 required to be furnished under Section 59,

1 Article XVI, Texas Constitution, and  
2 Chapter 313, Government Code.

3 (b) The governor, one of the required  
4 recipients, has submitted the notice and  
5 Act to the Texas Commission on  
6 Environmental Quality.

7 (c) The Texas Commission on  
8 Environmental Quality has filed its  
9 recommendations relating to this Act with  
10 the governor, the lieutenant governor, and  
11 the speaker of the house of representatives  
12 within the required time.

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

19 CHAPTER 8863. NECHES AND TRINITY VALLEYS GROUNDWATER

20 CONSERVATION DISTRICT

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37 [Sections 8863.057-8863.100 reserved for expansion]

38 SUBCHAPTER C. POWERS AND DUTIES

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2 [Sections 8863.106-8863.150 reserved for expansion]

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7 CHAPTER 8863. NECHES AND TRINITY VALLEYS GROUNDWATER

8 CONSERVATION DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Revised Law

11 Sec. 8863.001. DEFINITIONS. In this chapter:

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

13 (2) "Director" means a board member.

14 (3) "District" means the Neches and Trinity Valleys  
15 Groundwater Conservation District. (Acts 77th Leg., R.S., Ch.  
16 1387, Sec. 2; New.)

17 Source Law

18 Sec. 2. In this Act, "district" means the Neches  
19 and Trinity Valleys Groundwater Conservation  
20 District.

21 Revisor's Note

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

26 Revised Law

27 Sec. 8863.002. NATURE OF DISTRICT. The district is a  
28 groundwater conservation district in Anderson, Cherokee, and  
29 Henderson Counties created under and essential to accomplish the  
30 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
31 77th Leg., R.S., Ch. 1387, Secs. 1(a) (part), (b).)

32 Source Law

33 Sec. 1. (a) A groundwater conservation  
34 district, to be known as the Neches and Trinity Valleys  
35 Groundwater Conservation District, is created in  
36 Anderson, Cherokee, and Henderson counties . . . .

37 (b) The district is created under and is  
38 essential to accomplish the purposes of Section 59,

1 Article XVI, Texas Constitution.

2 Revisor's Note

3 (1) Section 1(a), Chapter 1387, Acts of the 77th  
4 Legislature, Regular Session, 2001, refers to a  
5 confirmation election. Because the confirmation  
6 election has already been held, the revised law omits  
7 the provision as executed. The omitted law reads:

8 (a) . . . subject to approval at a  
9 confirmation election held under Section 9  
10 of this Act. . . .

11 (2) Section 1(a), Chapter 1387, Acts of the 77th  
12 Legislature, Regular Session, 2001, provides that the  
13 district is a governmental agency and body politic and  
14 corporate. The revised law omits that provision  
15 because it duplicates a portion of Section 59(b),  
16 Article XVI, Texas Constitution, which provides that a  
17 conservation and reclamation district is a  
18 governmental agency and a body politic and corporate.  
19 The omitted law reads:

20 (a) . . . The district is a  
21 governmental agency and body politic and  
22 corporate.

23 Revised Law

24 Sec. 8863.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
25 district is created to serve a public use and benefit.

26 (b) All land and other property included in the district  
27 will benefit from the works and projects accomplished by the  
28 district under the powers conferred by Section 59, Article XVI,  
29 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1387, Sec. 4.)

30 Source Law

31 Sec. 4. All of the land and other property  
32 included within the boundaries of the district will be  
33 benefitted by the works and projects that are to be  
34 accomplished by the district under powers conferred by  
35 Section 59, Article XVI, Texas Constitution. The  
36 district is created to serve a public use and benefit.

37 Revised Law

38 Sec. 8863.004. DISTRICT TERRITORY. The district is  
39 composed of the territory described by Section 3, Chapter 1387,

1 Acts of the 77th Legislature, Regular Session, 2001, as that  
2 territory may have been modified under:

3 (1) Section 8863.005 or its predecessor statute,  
4 former Section 10, Chapter 1387, Acts of the 77th Legislature,  
5 Regular Session, 2001;

6 (2) Subchapter J or K, Chapter 36, Water Code; or

7 (3) other law. (New.)

8 Revisor's Note

9 The revision of the law governing the district  
10 does not revise the statutory language describing the  
11 territory of the district. That description may not be  
12 accurate on the effective date of the revised law or at  
13 the time of a later reading because the district's  
14 boundaries are subject to change. For the reader's  
15 convenience, the revised law adds references to the  
16 statutory description of the district's territory and  
17 to the authority to change the district's territory  
18 under Section 8863.005 or Section 10, Chapter 1387,  
19 Acts of the 77th Legislature, Regular Session, 2001,  
20 from which Section 8863.005 was derived, and under  
21 Subchapter J or K, Chapter 36, Water Code, applicable  
22 to groundwater conservation districts. The revised  
23 law also adds a reference to the general authority of  
24 the legislature to enact other laws under which the  
25 district's territory may change.

26 Revised Law

27 Sec. 8863.005. ADDITION OF UNDERGROUND WATER CONSERVATION  
28 DISTRICT OR ADJACENT COUNTY TO DISTRICT. (a) An adjacent county or  
29 an underground water conservation district the boundaries of which  
30 lie wholly within the boundaries of the district may petition to  
31 join the district by resolution of the commissioners court of the  
32 county or the board of directors of the underground water  
33 conservation district.

34 (b) If, after a hearing on the resolution, the board finds

1 that the addition of the county or underground water conservation  
2 district would benefit the district and the county or underground  
3 water conservation district to be added, the board by resolution  
4 may approve the addition of the county or underground water  
5 conservation district to the district.

6 (c) The addition of a county or underground water  
7 conservation district to the district under this section is not  
8 final until ratified by a majority vote of the voters in the county  
9 or within the boundaries of the underground water conservation  
10 district to be added voting in an election held for that purpose.

11 (d) The ballot for the election shall be printed to provide  
12 for voting for or against the proposition: "The inclusion of  
13 \_\_\_\_\_ County in the Neches and Trinity Valleys Groundwater  
14 Conservation District" or "The inclusion of \_\_\_\_\_ Underground  
15 Water Conservation District in the Neches and Trinity Valleys  
16 Groundwater Conservation District." (Acts 77th Leg., R.S., Ch.  
17 1387, Secs. 10(a), (b), (c), (d).)

18 Source Law

19 Sec. 10. (a) An adjacent county or an  
20 underground water conservation district whose  
21 boundaries lie wholly within the boundaries of the  
22 Neches and Trinity Valleys Groundwater Conservation  
23 District that wishes to join the district shall  
24 petition the district by resolution of the  
25 commissioners court of the county or the board of  
26 directors of the underground water conservation  
27 district.

28 (b) If the board of directors finds after a  
29 hearing on the resolution that the addition of the  
30 county or underground water conservation district  
31 would benefit the district and the county or  
32 underground water conservation district to be added,  
33 the board by resolution may approve the addition of the  
34 county or underground water conservation district to  
35 the district.

36 (c) The addition of a county or underground  
37 water conservation district to the district under this  
38 section is not final until ratified by a majority vote  
39 of the qualified voters in the county or within the  
40 boundaries of the underground water conservation  
41 district to be added voting in an election held for  
42 that purpose.

43 (d) The ballots for the election shall be  
44 printed to provide for voting for or against the  
45 proposition: "The inclusion of \_\_\_\_\_ County in the  
46 Neches and Trinity Valleys Groundwater Conservation  
47 District." or "The inclusion of \_\_\_\_\_ Underground  
48 Water Conservation District in the Neches and Trinity  
49 Valleys Groundwater Conservation District."

1 Revisor's Note

2 (1) Section 10(c), Chapter 1387, Acts of the  
3 77th Legislature, Regular Session, 2001, refers to a  
4 majority vote of "qualified voters" in the county, or  
5 within the boundaries of the underground water  
6 conservation district, to be added. The revised law  
7 omits "qualified" as unnecessary in this context  
8 because Chapter 11, Election Code, governs eligibility  
9 to vote in an election in this state and allows only  
10 "qualified" voters who are residents of the territory  
11 covered by the election to vote in an election.

12 (2) Section 10(e), Chapter 1387, Acts of the  
13 77th Legislature, Regular Session, 2001, provides that  
14 the notice of an election to add territory to the  
15 district, the holding of the election, and the  
16 qualifications of voters in the election are governed  
17 by the Election Code. The revised law omits the  
18 provision because it duplicates Section 1.002,  
19 Election Code, which provides that the Election Code  
20 applies to all elections held in this state, and  
21 Section 36.059, Water Code, applicable to the district  
22 under Section 8863.101 of this chapter and Section  
23 36.001(1), Water Code. The omitted law reads:

24 (e) The notice of the election, the  
25 manner and the time of giving the notice,  
26 the manner of holding the election, and the  
27 qualifications of the voters are governed  
28 by the Election Code.

29 Revisor's Note  
30 (End of Subchapter)

31 (1) Section 5(a), Chapter 1387, Acts of the 77th  
32 Legislature, Regular Session, 2001, provides that  
33 Chapter 49, Water Code, does not apply to the district.  
34 The revised law omits the provision as unnecessary.

35 Section 49.002(b), Water Code, provides that  
36 Chapter 49 does not apply to a district governed by  
37 Chapter 36 unless a special law creating the district

1 or amending the law creating the district states that  
2 Chapter 49 applies to that district. The district is  
3 governed by Chapter 36, Water Code, under that portion  
4 of Section 5(a), Chapter 1387, Acts of the 77th  
5 Legislature, Regular Session, 2001, revised in this  
6 chapter as Section 8863.101, and Section 36.001(1),  
7 Water Code. Because the district is governed by  
8 Chapter 36, Water Code, and the special law creating  
9 the district does not state that Chapter 49 of that  
10 code applies to the district, Chapter 49 does not apply  
11 to the district. The omitted law reads:

12 (a) . . . Chapter 49, Water Code,  
13 does not apply to the district. . . .

14 (2) Section 5(a), Chapter 1387, Acts of the 77th  
15 Legislature, Regular Session, 2001, provides that the  
16 act prevails over general law in case of a conflict or  
17 other inconsistency. The revised law omits the  
18 provision because it duplicates Section 311.026,  
19 Government Code (Code Construction Act). The omitted  
20 law reads:

21 (a) . . . This Act prevails over any  
22 provision of general law that is in conflict  
23 or inconsistent with this Act.

24 [Sections 8863.006-8863.050 reserved for expansion]

25 SUBCHAPTER B. BOARD OF DIRECTORS

26 Revised Law

27 Sec. 8863.051. COMPOSITION OF BOARD. The district is  
28 governed by a board of directors appointed as provided by Section  
29 8863.052. (Acts 77th Leg., R.S., Ch. 1387, Sec. 6(a).)

30 Source Law

31 Sec. 6. (a) The district is governed by a board  
32 of directors appointed as provided by Section 7 of this  
33 Act.

34 Revised Law

35 Sec. 8863.052. APPOINTMENT OF DIRECTORS. (a) The  
36 commissioners court of each county in the district shall appoint:

37 (1) one director to represent the rural water and

1 utilities and small municipal water supply interests of the county;  
2 and

3 (2) one director to represent the agriculture,  
4 industry, or landowner groundwater supply interests of the county.

5 (b) The governing body of the most populous municipality in  
6 each county in the district, acting jointly with the governing body  
7 of the most populous municipality in each other county in the  
8 district, shall appoint one director to represent those  
9 municipalities. The governing bodies shall appoint residents of  
10 the district on a rotating basis so that a resident of each county  
11 is appointed every sixth year. (Acts 77th Leg., R.S., Ch. 1387,  
12 Secs. 7(a), (b).)

13 Source Law

14 Sec. 7. (a) The commissioners court of each  
15 county in the district shall appoint one director to  
16 represent the rural water and utilities and small  
17 municipal water supply interests of the county and one  
18 director to represent the agriculture, industry, or  
19 landowner groundwater supply interests of the county.

20 (b) The governing body of the most populous  
21 municipality in each county in the district, acting  
22 jointly with the governing body of the most populous  
23 municipality in each other county in the district,  
24 shall appoint one director representing those  
25 municipalities. The governing bodies shall appoint  
26 residents of the district on a rotating basis so that a  
27 resident of each county is appointed every sixth year.

28 Revisor's Note

29 (1) Section 6(e), Chapter 1387, Acts of the 77th  
30 Legislature, Regular Session, 2001, provides that a  
31 director must qualify to serve in the manner provided  
32 by Section 36.055, Water Code. The revised law omits  
33 the provision because Section 36.055, Water Code,  
34 applies to the district under Section 8863.101 of this  
35 chapter and Section 36.001(1), Water Code. The  
36 omitted law reads:

37 (e) Each director must qualify to  
38 serve as a director in the manner provided  
39 by Section 36.055, Water Code.

40 (2) Section 7(c), Chapter 1387, Acts of the 77th  
41 Legislature, Regular Session, 2001, provides the date  
42 by which initial directors were to be appointed. The

1 revised law omits that provision as executed. The  
2 omitted law reads:

3 (c) The governing bodies authorized  
4 by this section to make an appointment shall  
5 appoint the appropriate number of directors  
6 as soon as practicable after the effective  
7 date of this Act, but not later than the  
8 45th day after the effective date of this  
9 Act.

10 Revised Law

11 Sec. 8863.053. TERMS. (a) Directors appointed under  
12 Section 8863.052(a) serve staggered four-year terms, with the term  
13 of one director appointed by the commissioners court of each county  
14 expiring every two years. The director appointed jointly under  
15 Section 8863.052(b) serves a two-year term.

16 (b) A director may serve consecutive terms.

17 (c) A director serves at the pleasure of the political  
18 subdivision that appointed the director. (Acts 77th Leg., R.S.,  
19 Ch. 1387, Secs. 6(b), (c) (part), (g).)

20 Source Law

21 (b) Each director shall serve at the pleasure of  
22 the political subdivision by which the appointment was  
23 made.

24 (c) Except for the initial term, all directors  
25 appointed by the county commissioners court in each  
26 county in the district serve four-year terms. The  
27 director appointed jointly under Subsection (b),  
28 Section 7 of this Act, serves a two-year term. . . .

29 (g) Directors may serve consecutive terms.

30 Revisor's Note

31 (1) Section 6(c), Chapter 1387, Acts of the 77th  
32 Legislature, Regular Session, 2001, provides that,  
33 "[e]xcept for the initial term," a director appointed  
34 under Section 8863.052(a) serves a four-year term.  
35 The revised law omits the quoted language because that  
36 term of office has expired.

37 (2) Sections 6(c) and (d), Chapter 1387, Acts of  
38 the 77th Legislature, Regular Session, 2001, provide  
39 for the staggering of the initial directors' terms by  
40 specifying that the terms of four initial directors  
41 expire after two years and the terms of three initial

1 directors expire after four years and by requiring the  
2 initial directors to draw lots to determine who shall  
3 serve a two-year term. The revised law omits those  
4 provisions as executed but preserves the effect of  
5 those provisions, which is to create staggered  
6 four-year terms with the term of one director  
7 appointed by the commissioners court of each county  
8 expiring every two years. The omitted law reads:

9 (c) . . . The terms of four initial  
10 directors will expire at the end of the  
11 calendar year two years after the effective  
12 date of this Act and the terms of three  
13 initial directors will expire at the end of  
14 the calendar year four years after the  
15 effective date of this Act.

16 (d) Subject to Subsection (c) of this  
17 section, the initial directors appointed by  
18 the county commissioners court in each  
19 county shall draw lots to determine one  
20 initial director from each county who shall  
21 serve a two-year term. The other initial  
22 directors shall serve terms of four years.

23 (3) Section 6(f), Chapter 1387, Acts of the 77th  
24 Legislature, Regular Session, 2001, provides that a  
25 director serves until a successor has qualified. The  
26 revised law omits the provision because it duplicates  
27 Section 17, Article XVI, Texas Constitution, which  
28 provides that an officer in this state continues to  
29 perform the officer's duties until a successor has  
30 qualified. The omitted law reads:

31 (f) A director serves until the  
32 director's successor has qualified.

33 Revised Law

34 Sec. 8863.054. BOARD VACANCY. If there is a vacancy on the  
35 board, the governing body of the entity that appointed the director  
36 who vacated the office shall appoint a director to serve the  
37 remainder of the term. (Acts 77th Leg., R.S., Ch. 1387, Sec. 6(h).)

38 Source Law

39 (h) If there is a vacancy on the board of  
40 directors, the governing body of the entity that  
41 appointed the director who vacated the office shall  
42 appoint a director to serve the remainder of the term.

1 Revised Law

2 Sec. 8863.055. COMPENSATION; EXPENSES. (a) A director is  
3 not entitled to receive compensation for serving as a director.

4 (b) A director may be reimbursed for actual, reasonable  
5 expenses incurred in discharging official duties. (Acts 77th Leg.,  
6 R.S., Ch. 1387, Sec. 6(i).)

7 Source Law

8 (i) Directors are not entitled to receive  
9 compensation for serving as a director but may be  
10 reimbursed for actual, reasonable expenses incurred in  
11 the discharge of official duties.

12 Revised Law

13 Sec. 8863.056. VOTE REQUIRED FOR BOARD ACTION. A majority  
14 vote of a quorum of the board is required for board action. If there  
15 is a tie vote, the proposed action fails. (Acts 77th Leg., R.S.,  
16 Ch. 1387, Sec. 6(j).)

17 Source Law

18 (j) A majority vote of a quorum is required for  
19 board action. If there is a tie vote, the proposed  
20 action fails.

21 Revisor's Note  
22 (End of Subchapter)

23 Section 8, Chapter 1387, Acts of the 77th  
24 Legislature, Regular Session, 2001, requires the  
25 initial directors to hold an organizational meeting of  
26 the district, and Section 9 of that act provides  
27 procedures for holding elections to confirm the  
28 district's creation and provides for the dissolution  
29 of the district and the expiration of the act if the  
30 creation of the district is not confirmed. The revised  
31 law omits Sections 8 and 9 as executed because the  
32 organizational meeting of the initial directors has  
33 been held and the creation of the district has been  
34 confirmed. The omitted law reads:

35 Sec. 8. As soon as practicable after  
36 all the initial directors are appointed as  
37 provided in this Act, a majority of the  
38 directors shall convene the organizational  
39 meeting of the district at a location within  
40 the district agreeable to a majority of the

1 directors at which time the directors will  
2 take office. If no location can be agreed  
3 upon, the organizational meeting of the  
4 directors shall be at the Anderson County  
5 Courthouse.

6 Sec. 9. (a) The initial board of  
7 directors shall call and hold an election on  
8 the same date in each county within the  
9 district to confirm the creation of the  
10 district.

11 (b) Except as provided by this  
12 section, a confirmation election must be  
13 conducted as provided by Sections 36.017,  
14 36.018, and 36.019, Water Code, and Section  
15 41.001, Election Code.

16 (c) If the majority of qualified  
17 voters in a county who vote in the election  
18 vote to confirm the creation of the  
19 district, that county is included in the  
20 district. If the majority of qualified  
21 voters in a county who vote in the election  
22 vote not to confirm the creation of the  
23 district, that county is excluded from the  
24 district.

25 (d) If the creation of the district  
26 is not confirmed by an election held under  
27 this section before the second anniversary  
28 of the effective date of this Act, the  
29 district is dissolved and this Act expires  
30 on that date.

31 [Sections 8863.057-8863.100 reserved for expansion]

32 SUBCHAPTER C. POWERS AND DUTIES

33 Revised Law

34 Sec. 8863.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
35 AND DUTIES. Except as provided by this subchapter and Subchapter D,  
36 the district has the rights, powers, privileges, functions, and  
37 duties provided by the general law of this state, including Chapter  
38 36, Water Code, applicable to groundwater conservation districts  
39 created under Section 59, Article XVI, Texas Constitution. (Acts  
40 77th Leg., R.S., Ch. 1387, Sec. 5(a) (part).)

41 Source Law

42 Sec. 5. (a) Except as provided by this section,  
43 the district has all of the rights, powers,  
44 privileges, authority, functions, and duties provided  
45 by the general law of this state, including Chapter 36,  
46 Water Code, applicable to groundwater conservation  
47 districts created under Section 59, Article XVI, Texas  
48 Constitution. . . .

49 Revisor's Note

50 Section 5(a), Chapter 1387, Acts of the 77th  
51 Legislature, Regular Session, 2001, refers to the  
52 "rights, powers, privileges, [and] authority" of the

1 district. The revised law omits the reference to  
2 "authority" because, in context, "authority" is  
3 included in the meaning of "rights, powers, [and]  
4 privileges."

5 Revised Law

6 Sec. 8863.102. WELLS EXEMPT FROM REGULATION. A well  
7 meeting the criteria established under Section 36.117, Water Code,  
8 including a well used for dewatering and monitoring in the  
9 production of coal and lignite, is exempt from permit requirements,  
10 regulations, and fees imposed by the district. (Acts 77th Leg.,  
11 R.S., Ch. 1387, Sec. 5(e).)

12 Source Law

13 (e) A well meeting the criteria established  
14 under Section 36.117, Water Code, including a well  
15 used for dewatering and monitoring in the production  
16 of coal and lignite, is exempt from permit  
17 requirements, regulations, and fees imposed by the  
18 district.

19 Revised Law

20 Sec. 8863.103. TRANSFER OF GROUNDWATER OUT OF DISTRICT.

21 (a) In this section, "retail public utility" has the meaning  
22 assigned by Section 13.002, Water Code.

23 (b) The district by rule may require a person to obtain a  
24 permit from the district for the transfer of groundwater out of the  
25 district consistent with Section 36.122, Water Code.

26 (c) The district may determine that a transfer of  
27 groundwater produced within the district's boundaries for use  
28 outside the district's boundaries will not be considered a transfer  
29 outside the district if the transfer:

30 (1) is for use as a potable water supply by a retail  
31 public utility and is within an authorized service area of which an  
32 appropriate portion, as determined by the district, is located  
33 inside the district's boundaries; or

34 (2) involves an emergency potable water interconnect  
35 between retail public utilities. (Acts 77th Leg., R.S., Ch. 1387,  
36 Sec. 5(b).)

1 Source Law

2 (b) The district by rule may require a person to  
3 obtain a permit from the district for the transfer of  
4 groundwater out of the district consistent with  
5 Section 36.122, Water Code. The district may determine  
6 that a transfer of groundwater produced within the  
7 district's boundaries for use outside the district's  
8 boundaries will not be considered a transfer outside  
9 the district if:

10 (1) the transfer is for use as a potable  
11 water supply by a retail public utility as defined by  
12 Section 13.002, Water Code, and is within an  
13 authorized service area of which an appropriate  
14 portion, as determined by the district, is located  
15 inside the district's boundaries; or

16 (2) the transfer involves an emergency  
17 potable water interconnect between retail public  
18 utilities, as defined by Section 13.002, Water Code.

19 Revised Law

20 Sec. 8863.104. NO EMINENT DOMAIN POWER. The district may  
21 not exercise the power of eminent domain. (Acts 77th Leg., R.S.,  
22 Ch. 1387, Sec. 5(f) (part).)

23 Source Law

24 (f) The district may not:  
25 (1) exercise the power of eminent domain;  
26 . . .

27 Revised Law

28 Sec. 8863.105. LIMIT ON PURCHASE OF GROUNDWATER RIGHTS.  
29 The district may not purchase groundwater rights unless the  
30 purchased rights are acquired for conservation purposes and are  
31 permanently held in trust not to be produced. (Acts 77th Leg.,  
32 R.S., Ch. 1387, Sec. 5(f) (part).)

33 Source Law

34 (f) The district may not:  
35 . . .  
36 (3) purchase groundwater rights unless the  
37 purchased rights are acquired for conservation  
38 purposes and are permanently held in trust not to be  
39 produced.

40 [Sections 8863.106-8863.150 reserved for expansion]

41 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

42 Revised Law

43 Sec. 8863.151. AUTHORITY TO SET FEES; LIMITS. (a) The  
44 board may set fees for administrative acts of the district, such as  
45 filing applications. A fee may not unreasonably exceed the cost to  
46 the district of performing the administrative function for which

1 the fee is charged.

2 (b) The board shall set and collect fees for all services  
3 provided outside the boundaries of the district. The fees may not  
4 unreasonably exceed the cost to the district of providing the  
5 services outside the district.

6 (c) The board may assess production fees based on the amount  
7 of water authorized by permit to be withdrawn from a well or the  
8 amount actually withdrawn. The district may assess the fees in lieu  
9 of, or in conjunction with, any taxes otherwise imposed by the  
10 district. The district may use revenue generated by the fees for  
11 any lawful purpose. Production fees may not exceed:

12 (1) \$1 per acre-foot payable annually for water used  
13 for agricultural use; or

14 (2) \$10 per acre-foot payable annually for water used  
15 for any other purpose.

16 (d) The board may assess a production fee under Subsection  
17 (c) for any water that is:

18 (1) produced under an exemption under Section 36.117,  
19 Water Code; and

20 (2) subsequently sold to another person.

21 (e) The district may not assess a fee of any type on a well  
22 if the well's production is used only for domestic, agricultural,  
23 or wildlife purposes within the district. (Acts 77th Leg., R.S.,  
24 Ch. 1387, Secs. 5(d), (g).)

25 Source Law

26 (d) The board of directors of the district:  
27 (1) May set fees for administrative acts  
28 of the district, such as filing applications. Fees set  
29 by a district may not unreasonably exceed the cost to  
30 the district of performing the administrative function  
31 for which the fee is charged.

32 (2) Shall set and collect fees for all  
33 services provided outside the boundaries of the  
34 district. The fees may not unreasonably exceed the  
35 cost to the district of providing the services outside  
36 the district.

37 (3) May assess production fees based on  
38 the amount of water authorized by permit to be  
39 withdrawn from a well or the amount actually  
40 withdrawn. A district may assess the fees in lieu of,  
41 or in conjunction with, any taxes otherwise levied by  
42 the district. A district may use revenues generated by  
43 the fees for any lawful purpose. Production fees shall

1 not exceed:

2 (A) \$1 per acre-foot payable annually  
3 for water used for agricultural use; or

4 (B) \$10 per acre-foot payable  
5 annually for water used for any other purpose.

6 (4) May assess a production fee under  
7 Subdivision (3) of this subsection for any water  
8 produced under an exemption under Section 36.117,  
9 Water Code, if that water is subsequently sold to  
10 another person.

11 (g) The district may not assess a fee of any type  
12 on a well if the well's production is used only for  
13 domestic, agricultural, or wildlife purposes within  
14 the district.

15 Revisor's Note

16 Section 5(d)(3), Chapter 1387, Acts of the 77th  
17 Legislature, Regular Session, 2001, refers to taxes  
18 "levied" by the district. The revised law substitutes  
19 "imposed" for "levied" because "impose" is the term  
20 generally used in Title 1, Tax Code, and includes the  
21 levy of a tax.

22 Revised Law

23 Sec. 8863.152. TAXES PROHIBITED. The district may not  
24 impose taxes in the district. (Acts 77th Leg., R.S., Ch. 1387, Sec.  
25 5(c).)

26 Source Law

27 (c) The district may not levy or collect taxes  
28 in the district.

29 Revisor's Note

30 Section 5(c), Chapter 1387, Acts of the 77th  
31 Legislature, Regular Session, 2001, states that the  
32 district may not "levy or collect taxes." The revised  
33 law substitutes "impose" for "levy or collect" because  
34 "impose" is the term generally used in Title 1, Tax  
35 Code, and includes the levy and collection of a tax.

36 Revised Law

37 Sec. 8863.153. LIMIT ON ISSUANCE OF BONDS AND NOTES. The  
38 district may not issue and sell bonds or notes in the name of the  
39 district. (Acts 77th Leg., R.S., Ch. 1387, Sec. 5(f) (part).)

40 Source Law

41 (f) The district may not:

42 . . .

1 (2) issue and sell bonds or notes in the  
2 name of the district; or  
3 . . .

4 Revisor's Note  
5 (End of Chapter)

6 Section 11, Chapter 1387, Acts of the 77th  
7 Legislature, Regular Session, 2001, recites  
8 legislative findings regarding procedural  
9 requirements for legislation affecting the district  
10 under the constitution and other laws and rules,  
11 including proper legal notice and the filing of  
12 recommendations. The revised law omits those  
13 provisions as executed. The omitted law reads:

14 Sec. 11. (a) The proper and legal  
15 notice of the intention to introduce this  
16 Act, setting forth the general substance of  
17 this Act, has been published as provided by  
18 law, and the notice and a copy of this Act  
19 have been furnished to all persons,  
20 agencies, officials, or entities to which  
21 they are required to be furnished by the  
22 constitution and the laws of this state,  
23 including the governor, who has submitted  
24 the notice and this Act to the Texas Natural  
25 Resource Conservation Commission.

26 (b) The Texas Natural Resource  
27 Conservation Commission has filed its  
28 recommendations relating to this Act with  
29 the governor, lieutenant governor, and  
30 speaker of the house of representatives  
31 within the required time.

32 (c) All the requirements of the  
33 constitution and the laws of this state and  
34 rules and procedures of the legislature  
35 with respect to the notice, introduction,  
36 and passage of this Act are fulfilled and  
37 accomplished.

38 CHAPTER 8864. PECAN VALLEY GROUNDWATER CONSERVATION DISTRICT

39 SUBCHAPTER A. GENERAL PROVISIONS

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44 [Sections 8864.005-8864.050 reserved for expansion]

45 SUBCHAPTER B. BOARD OF DIRECTORS

46 Sec. 8864.051. COMPOSITION OF BOARD; TERMS . . . . . 1160  
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3 [Sections 8864.056-8864.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 8864.101. GROUNDWATER CONSERVATION DISTRICT

6 POWERS AND DUTIES . . . . . 1167

7 [Sections 8864.102-8864.150 reserved for expansion]

8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9 Sec. 8864.151. LIMITATION ON TAXES . . . . . 1168

10 CHAPTER 8864. PECAN VALLEY GROUNDWATER CONSERVATION DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Revised Law

13 Sec. 8864.001. DEFINITIONS. In this chapter:

14 (1) "Board" means the district's board of directors.

15 (2) "Director" means a board member.

16 (3) "District" means the Pecan Valley Groundwater  
17 Conservation District. (Acts 77th Leg., R.S., Ch. 1343, Sec. 2;  
18 New.)

19 Source Law

20 Sec. 2. In this Act, "district" means the Pecan  
21 Valley Groundwater Conservation District.

22 Revisor's Note

23 The definitions of "board" and "director" are  
24 added to the revised law for drafting convenience and  
25 to eliminate frequent, unnecessary repetition of the  
26 substance of the definitions.

27 Revised Law

28 Sec. 8864.002. NATURE OF DISTRICT. The district is a  
29 groundwater conservation district in DeWitt County created under  
30 and essential to accomplish the purposes of Section 59, Article  
31 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1343, Secs.  
32 1(a) (part), (b).)

33 Source Law

34 Sec. 1. (a) A groundwater conservation  
35 district, to be known as the Pecan Valley Groundwater  
36 Conservation District, is created in DeWitt

1 County, . . . .  
2 (b) The district is created under and is  
3 essential to accomplish the purposes of Section 59,  
4 Article XVI, Texas Constitution.

5 Revisor's Note

6 (1) Section 1(a), Chapter 1343, Acts of the 77th  
7 Legislature, Regular Session, 2001, refers to a  
8 confirmation election. Because the confirmation  
9 election has already been held, the revised law omits  
10 the provision as executed. The omitted law reads:

11 (a) . . . subject to approval at a  
12 confirmation election under Section 9 of  
13 this Act. . . .

14 (2) Section 1(a), Chapter 1343, Acts of the 77th  
15 Legislature, Regular Session, 2001, provides that the  
16 district is a governmental agency and a body politic  
17 and corporate. The revised law omits the provision  
18 because it duplicates a portion of Section 59(b),  
19 Article XVI, Texas Constitution, which provides that a  
20 conservation and reclamation district is a  
21 governmental agency and a body politic and corporate.  
22 The omitted law reads:

23 (a) . . . The district is a  
24 governmental agency and a body politic and  
25 corporate.

26 Revised Law

27 Sec. 8864.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
28 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 works and projects accomplished by the  
31 district under the powers conferred by Section 59, Article XVI,  
32 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1343, Sec. 4.)

33 Source Law

34 Sec. 4. All of the land and other property  
35 included within the boundaries of the district will be  
36 benefited by the works and projects that are to be  
37 accomplished by the district under powers conferred by  
38 Section 59, Article XVI, Texas Constitution. The  
39 district is created to serve a public use and benefit.

40 Revised Law

41 Sec. 8864.004. DISTRICT TERRITORY. The district's

1 boundaries are coextensive with the boundaries of DeWitt County  
2 unless the district's territory has been modified under:

- 3 (1) Subchapter J or K, Chapter 36, Water Code; or
- 4 (2) other law. (Acts 77th Leg., R.S., Ch. 1343, Sec.  
5 3; New.)

6 Source Law

7 Sec. 3. The boundaries of the district are  
8 coextensive with the boundaries of DeWitt County.

9 Revisor's Note

10 Section 3, Chapter 1343, Acts of the 77th  
11 Legislature, Regular Session, 2001, contains a  
12 description of the territory of the district. That  
13 description may not be accurate on the effective date  
14 of the revised law or at the time of a later reading  
15 because the district's boundaries are subject to  
16 change. For the reader's convenience, the revised law  
17 adds references to the authority to change the  
18 district's territory under Subchapter J or K, Chapter  
19 36, Water Code, applicable to groundwater conservation  
20 districts, and to the general authority of the  
21 legislature to enact other laws under which the  
22 district's territory may change.

23 Revisor's Note

24 (End of Subchapter)

25 (1) Section 5(a), Chapter 1343, Acts of the 77th  
26 Legislature, Regular Session, 2001, provides that the  
27 act prevails over general law in case of a conflict or  
28 other inconsistency. The revised law omits the  
29 provision because it substantively duplicates Section  
30 311.026, Government Code (Code Construction Act). The  
31 omitted law reads:

32 (a) . . . This Act prevails over any  
33 provision of general law that is in conflict  
34 or inconsistent with this Act.

35 (2) Section 5(b), Chapter 1343, Acts of the 77th  
36 Legislature, Regular Session, 2001, provides that

1 certain provisions of the Water Code prevail over a  
2 conflicting or inconsistent provision of that act.  
3 The revised law omits Section 5(b) because it  
4 substantially duplicates Section 36.052(b), Water  
5 Code, which provides that the provisions of the Water  
6 Code referenced in Section 5(b), in addition to  
7 Section 36.107, Water Code, prevail over a conflicting  
8 or inconsistent provision of a special law that  
9 governs a specific district. Although Section 5(b)  
10 does not reference Section 36.107, Water Code, that  
11 section of Chapter 36 is not in conflict or  
12 inconsistent with any provision of this chapter. The  
13 omitted law reads:

14 (b) Notwithstanding Subsection (a)  
15 of this section, the following provisions  
16 prevail over a conflicting or inconsistent  
17 provision of this Act:

- 18 (1) Sections 36.1071-36.108, Water  
19 Code;  
20 (2) Sections 36.159-36.161, Water  
21 Code; and  
22 (3) Subchapter I, Chapter 36, Water  
23 Code.

24 [Sections 8864.005-8864.050 reserved for expansion]

25 SUBCHAPTER B. BOARD OF DIRECTORS

26 Revised Law

27 Sec. 8864.051. COMPOSITION OF BOARD; TERMS. (a) The  
28 district is governed by a board of five directors.

29 (b) Directors serve staggered four-year terms. (Acts 77th  
30 Leg., R.S., Ch. 1343, Secs. 6(a), (c).)

31 Source Law

32 Sec. 6. (a) The district is governed by a board  
33 of five directors.

34 (c) Permanent directors serve staggered  
35 four-year terms.

36 Revisor's Note

37 (1) Section 6, Chapter 1343, Acts of the 77th  
38 Legislature, Regular Session, 2001, refers to  
39 "[p]ermanent" directors. The revised law omits  
40 "[p]ermanent." Sections 6(b) and (c) and Sections 7

1 and 10 refer to "temporary" and "permanent" directors  
2 to distinguish between the original "temporary"  
3 directors and subsequently serving "permanent"  
4 directors. For the reasons stated in the revisor's  
5 notes at the end of this subchapter, the revised law  
6 omits provisions regarding "temporary" directors. It  
7 is therefore no longer necessary to distinguish  
8 between "temporary" and "permanent" directors, and the  
9 revised law is drafted accordingly.

10 (2) Section 6(d), Chapter 1343, Acts of the 77th  
11 Legislature, Regular Session, 2001, provides that a  
12 director must qualify to serve in the manner provided  
13 by Section 36.055, Water Code. The revised law omits  
14 that provision because Section 36.055, Water Code,  
15 applies to the district under Section 8864.101 of this  
16 chapter and Section 36.001(1), Water Code. The  
17 omitted law reads:

18 (d) Each director must qualify to  
19 serve as director in the manner provided by  
20 Section 36.055, Water Code.

21 (3) Section 6(e), Chapter 1343, Acts of the 77th  
22 Legislature, Regular Session, 2001, provides that a  
23 director serves until a successor has qualified. The  
24 revised law omits the provision because it duplicates  
25 Section 17, Article XVI, Texas Constitution, which  
26 provides that an officer in this state continues to  
27 perform the officer's official duties until a  
28 successor has qualified. The omitted law reads:

29 (e) A director serves until the  
30 director's successor has qualified.

31 Revised Law

32 Sec. 8864.052. ELECTION OF DIRECTORS. (a) Directors are  
33 elected according to the commissioners precinct method as provided  
34 by this section.

35 (b) One director is elected by the voters of the entire  
36 district. One director is elected from each county commissioners

1 precinct by the voters of that precinct.

2 (c) A person shall indicate on the application for a place  
3 on the ballot:

4 (1) the precinct that the person seeks to represent;  
5 or

6 (2) that the person seeks to represent the district at  
7 large.

8 (d) At the first election of the district after the county  
9 commissioners precincts are redrawn under Section 18, Article V,  
10 Texas Constitution, four new directors shall be elected to  
11 represent the precincts. The directors shall draw lots to  
12 determine which two directors serve four-year terms and which two  
13 directors serve two-year terms. (Acts 77th Leg., R.S., Ch. 1343,  
14 Secs. 8(a), (b), (d), (e).)

15 Source Law

16 Sec. 8. (a) The directors of the district  
17 shall be elected according to the commissioners  
18 precinct method as provided by this section.

19 (b) One director shall be elected by the voters  
20 of the entire district, and one director shall be  
21 elected from each county commissioners precinct by the  
22 voters of that precinct.

23 (d) A person shall indicate on the application  
24 for a place on the ballot:

25 (1) the precinct that the person seeks to  
26 represent; or

27 (2) that the person seeks to represent the  
28 district at large.

29 (e) At the first election of the district after  
30 the county commissioners precincts are redrawn under  
31 Section 18, Article V, Texas Constitution, four new  
32 directors shall be elected to represent the precincts.  
33 The directors elected shall draw lots to determine  
34 which two directors serve four-year terms and which  
35 two directors serve two-year terms.

36 Revised Law

37 Sec. 8864.053. ELECTION DATE. Each odd-numbered year, on  
38 the uniform election date in May or another date authorized by law,  
39 the appropriate number of directors shall be elected. (Acts 77th  
40 Leg., R.S., Ch. 1343, Sec. 11(c); New.)

41 Source Law

42 (c) On the first Saturday in May of each  
43 subsequent second year following the election under  
44 Subsection (b) of this section, the appropriate number  
45 of directors shall be elected.

1 Revisor's Note

2 (1) Sections 11(a) and (b), Chapter 1343, Acts  
3 of the 77th Legislature, Regular Session, 2001,  
4 prescribe the election dates for the first two  
5 directors' elections following the confirmation  
6 election. Because those elections have been held, the  
7 revised law omits those provisions as executed. The  
8 omitted law reads:

9 Sec. 11. (a) On the first Saturday  
10 in May of the second year after the year in  
11 which the district is authorized to be  
12 created at a confirmation election, an  
13 election shall be held in the district for  
14 the election of directors for Precincts One  
15 and Three.

16 (b) On the first Saturday in May of  
17 the fourth year after the year in which the  
18 district is authorized to be created at a  
19 confirmation election, an election shall be  
20 held in the district for the election of  
21 directors for Precincts Two and Four and the  
22 at-large director.

23 (2) Section 11(c), Chapter 1343, Acts of the  
24 77th Legislature, Regular Session, 2001, requires  
25 board elections to be held on the "first Saturday in  
26 May of each subsequent second year following the  
27 election under Subsection (b) of this section,"  
28 meaning the second election of directors (see  
29 Revisor's Note (1)). When Chapter 1343 was enacted,  
30 Section 41.001, Election Code, provided for a uniform  
31 election date of the first Saturday in May for all  
32 political subdivisions, indicating that the  
33 legislature intended the district's election to  
34 coincide with that uniform date. Chapter 1315, Acts of  
35 the 78th Legislature, Regular Session, 2003, amended  
36 Section 41.001, Election Code, to change the uniform  
37 election date in May to the third Saturday in May.  
38 Chapter 1, Acts of the 78th Legislature, 3rd Called  
39 Session, 2003, amended Section 41.001 to change the  
40 uniform election date in May back to the first Saturday  
41 in May. Chapter 471, Acts of the 79th Legislature,

1 Regular Session, 2005, amended Section 41.001 to  
2 change the uniform election date in May to the second  
3 Saturday in May. The revised law substitutes "uniform  
4 election date in May" for "first Saturday in May" to  
5 reflect those changes and to preserve the legislative  
6 intent that the election be held on the uniform  
7 election date in May. In addition, the revised law adds  
8 "or another date authorized by law" to acknowledge  
9 other legislative enactments such as Section 41.0052,  
10 Election Code, as amended by Chapter 1318, Acts of the  
11 82nd Legislature, Regular Session, 2011, that could  
12 result in the election being held on a date other than  
13 the uniform election date in May.

14 The revised law also substitutes "[e]ach  
15 odd-numbered year" for "each subsequent second year  
16 following the election under Subsection (b) of this  
17 section" because the election described by that  
18 subsection was held in May 2005. As a result,  
19 subsequent directors' elections will also be held in  
20 odd-numbered years.

#### 21 Revised Law

22 Sec. 8864.054. QUALIFICATIONS FOR OFFICE. (a) To qualify  
23 as a candidate for or serve as director at large, a person must be:

- 24 (1) at least 18 years of age;
- 25 (2) a resident of the district; and
- 26 (3) a registered voter in the district.

27 (b) To be a candidate for or serve as director from a county  
28 commissioners precinct, a person must be:

- 29 (1) at least 18 years of age;
- 30 (2) a resident of that precinct; and
- 31 (3) a registered voter of that precinct. (Acts 77th

32 Leg., R.S., Ch. 1343, Sec. 8(c).)

#### 33 Source Law

34 (c) To be qualified to be a candidate for or to  
35 serve as director at large, a person must be at least

1 18 years of age, a resident of the district, and a  
2 registered voter in the district. To be a candidate for  
3 or to serve as director from a county commissioners  
4 precinct, a person must be at least 18 years of age, a  
5 resident of that precinct, and a registered voter of  
6 that precinct.

7 Revised Law

8 Sec. 8864.055. BOARD VACANCY. (a) The board shall appoint a  
9 replacement to fill a vacancy in the office of any director.

10 (b) The appointed replacement serves until the next  
11 directors' election.

12 (c) If the position is not scheduled to be filled at the  
13 election, the person elected to fill the position serves only for  
14 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.  
15 1343, Sec. 6(f).)

16 Source Law

17 (f) A vacancy in the office of director shall be  
18 filled by appointment of the board until the next  
19 election of directors. If the position is not  
20 scheduled to be filled at the election, the person  
21 elected to fill the position shall serve only for the  
22 remainder of the unexpired term.

23 Revisor's Note

24 (End of Subchapter)

25 (1) Sections 6(b) and 10, Chapter 1343, Acts of  
26 the 77th Legislature, Regular Session, 2001, provide  
27 for the terms of office of temporary directors of the  
28 district. The revised law omits those sections as  
29 executed because the terms of the temporary directors  
30 have expired. The omitted law reads:

31 [Sec. 6]

32 (b) Temporary directors serve until  
33 the confirmation election under Section 9  
34 of this Act. If the district is confirmed  
35 under Section 9 of this Act, the temporary  
36 directors serve until permanent directors  
37 are elected under Section 11 of this Act.

38 Sec. 10. (a) If the creation of the  
39 district is confirmed under Section 9 of  
40 this Act:

41 (1) the temporary directors for  
42 Precincts One and Three shall serve as  
43 directors until the first regular meeting  
44 of the board following the first regular  
45 directors' election held as provided by  
46 Section 11(a) of this Act; and

47 (2) the temporary directors for  
48 Precincts Two and Four and the temporary  
49 director serving at large shall serve until

1 the first regular meeting of the board  
2 following the second regular directors'  
3 election held as provided by Section 11(b)  
4 of this Act.

5 (b) If, for any reason, an elected  
6 director is not qualified to take office at  
7 the first regular meeting of the board  
8 following the election, the temporary  
9 director shall continue to serve until a  
10 successor has been qualified.

11 (2) Section 7, Chapter 1343, Acts of the 77th  
12 Legislature, Regular Session, 2001, names the  
13 temporary directors, provides for filling vacancies on  
14 the temporary board, requires the temporary directors  
15 to select certain officers, and describes the  
16 qualifications required for service as a temporary  
17 director. Because the terms of the temporary  
18 directors have expired, the revised law omits those  
19 provisions as executed. The omitted law reads:

20 Sec. 7. (a) The temporary board of  
21 directors consists of:

- 22 (1) Lias B. Steen, Precinct  
23 One;  
24 (2) Gary Colman, Precinct Two;  
25 (3) Peggy Laging, Precinct  
26 Three;  
27 (4) Bob McCurty, Precinct Four;  
28 and  
29 (5) Errol J. Dietze, at large.

30 (b) If a temporary director fails to  
31 qualify for office or if a vacancy occurs in  
32 the office of temporary director for any  
33 reason, the temporary directors who have  
34 qualified shall appoint a qualified person  
35 to fill the vacancy. If at any time there  
36 are fewer than three qualified temporary  
37 directors, the DeWitt County Commissioners  
38 Court shall appoint the necessary number of  
39 persons to fill all vacancies on the board.

40 (c) The temporary directors shall  
41 select from their members persons to serve  
42 as chairman, vice chairman, and secretary.

43 (d) To be qualified to serve as a  
44 temporary director, a person must be a  
45 resident of DeWitt County and at least 18  
46 years of age.

47 (3) Section 9, Chapter 1343, Acts of the 77th  
48 Legislature, Regular Session, 2001, provides  
49 procedures for holding an election to confirm the  
50 district's creation and to approve the imposition of an  
51 ad valorem tax. Because the district has been  
52 confirmed and the imposition of an ad valorem tax has

1           been approved, the revised law omits those provisions  
2           as executed. The omitted law reads:

3                   Sec. 9. (a) Not later than the 30th  
4                   day after the effective date of this Act,  
5                   the temporary board of directors shall call  
6                   an election to be held not later than the  
7                   120th day after the effective date of this  
8                   Act within the boundaries of the proposed  
9                   district to confirm the establishment of  
10                   the district.

11                   (b) The ballot for the election shall  
12                   be printed to provide for voting for or  
13                   against the following propositions:

14                           (1) the creation of the Pecan  
15                   Valley Groundwater Conservation District;  
16                   and

17                           (2) the imposition of a  
18                   property tax in the district.

19                   (c) The temporary board of directors  
20                   may include other propositions on the  
21                   ballot that it considers necessary.

22                   (d) Section 41.001(a), Election  
23                   Code, does not apply to a confirmation  
24                   election held as provided by this section.

25                   (e) Except as provided by this  
26                   section, a confirmation election must be  
27                   held as provided by Sections 36.017(b)-(h),  
28                   Water Code, and the Election Code.

29                   (f) If a majority of votes cast at the  
30                   election favor creation of the district,  
31                   the temporary directors shall declare the  
32                   district created. If a majority of the votes  
33                   cast at the election are against the  
34                   creation of the district, the temporary  
35                   directors shall declare the district  
36                   defeated. The temporary directors shall  
37                   file a copy of the election results with the  
38                   Texas Natural Resource Conservation  
39                   Commission.

40                   (g) If the creation of the district  
41                   is defeated, further elections may be  
42                   called and held after the first anniversary  
43                   of the most recent confirmation election.  
44                   If the district is not created within five  
45                   years after the effective date of this Act,  
46                   this Act expires.

47                   [Sections 8864.056-8864.100 reserved for expansion]

48                                   SUBCHAPTER C. POWERS AND DUTIES

49   Revised Law

50                   Sec. 8864.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
51                   AND DUTIES. The district has the rights, powers, privileges,  
52                   functions, and duties provided by the general law of this state,  
53                   including Chapter 36, Water Code, applicable to groundwater  
54                   conservation districts created under Section 59, Article XVI, Texas  
55                   Constitution. (Acts 77th Leg., R.S., Ch. 1343, Sec. 5(a) (part).)



1 law, and the notice and a copy of this Act  
2 have been furnished to all persons,  
3 agencies, officials, or entities to which  
4 they are required to be furnished by the  
5 constitution and other laws of this state,  
6 including the governor, who has submitted  
7 the notice and this Act to the Texas Natural  
8 Resource Conservation Commission.

9 (b) The Texas Natural Resource  
10 Conservation Commission has filed its  
11 recommendations relating to this Act with  
12 the governor, lieutenant governor, and  
13 speaker of the house of representatives  
14 within the required time.

15 (c) All requirements of the  
16 constitution and laws of this state and the  
17 rules and procedures of the legislature  
18 with respect to the notice, introduction,  
19 and passage of this Act are fulfilled and  
20 accomplished.

21 CHAPTER 8865. POST OAK SAVANNAH GROUNDWATER

22 CONSERVATION DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

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28 [Sections 8865.005-8865.050 reserved for expansion]

29 SUBCHAPTER B. BOARD OF DIRECTORS

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35 [Sections 8865.056-8865.100 reserved for expansion]

36 SUBCHAPTER C. POWERS AND DUTIES

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42 [Sections 8865.104-8865.150 reserved for expansion]

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2 CHAPTER 8865. POST OAK SAVANNAH GROUNDWATER

3 CONSERVATION DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Revised Law

6 Sec. 8865.001. DEFINITIONS. In this chapter:

7 (1) "Board" means the district's board of directors.

8 (2) "Director" means a board member.

9 (3) "District" means the Post Oak Savannah Groundwater  
10 Conservation District. (Acts 77th Leg., R.S., Ch. 966, Sec.  
11 3.1402; Acts 77th Leg., R.S., Ch. 1307, Sec. 3.02; New.)

12 Source Law

13 [Acts 77th Leg., R.S., Ch. 966]  
14 Sec. 3.1402. In this part, "district" means the  
15 Post Oak Savannah Groundwater Conservation District.

16 [Acts 77th Leg., R.S., Ch. 1307]  
17 Sec. 3.02. In this article, "district" means  
18 the Post Oak Savannah Groundwater Conservation  
19 District.

20 Revisor's Note

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

25 Revised Law

26 Sec. 8865.002. NATURE OF DISTRICT. The district is a  
27 groundwater conservation district in Milam and Burleson Counties  
28 created under and essential to accomplish the purposes of Section  
29 59, Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch.  
30 966, Secs. 3.1401(a) (part), (b); Acts 77th Leg., R.S., Ch. 1307,  
31 Secs. 3.01(a) (part), (b).)

32 Source Law

33 [Acts 77th Leg., R.S., Ch. 966]  
34 Sec. 3.1401. (a) A groundwater conservation  
35 district, to be known as the Post Oak Savannah  
36 Groundwater Conservation District, is created in Milam  
37 and Burleson counties, . . . .  
38 (b) The district is created under and is  
39 essential to accomplish the purposes of Section 59,  
40 Article XVI, Texas Constitution.

1 [Acts 77th Leg., R.S., Ch. 1307]  
2 Sec. 3.01. (a) A groundwater conservation  
3 district, to be known as the Post Oak Savannah  
4 Groundwater Conservation District, is created in Milam  
5 and Burleson counties, . . . .  
6 (b) The district is created under and is  
7 essential to accomplish the purposes of Section 59,  
8 Article XVI, Texas Constitution.

9 Revisor's Note

10 (1) Section 3.1401(a), Chapter 966, and Section  
11 3.01(a), Chapter 1307, Acts of the 77th Legislature,  
12 Regular Session, 2001, refer to a confirmation  
13 election. Because the confirmation election has  
14 already been held, the revised law omits the  
15 provisions as executed. The omitted law reads:

16 [Acts 77th Leg., R.S., Ch. 966]  
17 Sec. 3.1401. (a) . . . subject to  
18 approval at a confirmation election under  
19 Section 3.1412 of this part. . . .

20 [Acts 77th Leg., R.S., Ch. 1307]  
21 Sec. 3.01. (a) . . . subject to  
22 approval at a confirmation election under  
23 Section 3.13 of this article. . . .

24 (2) Section 3.1401(a), Chapter 966, and Section  
25 3.01(a), Chapter 1307, Acts of the 77th Legislature,  
26 Regular Session, 2001, provide the district is a  
27 governmental agency and a body politic and corporate.  
28 The revised law omits those provisions because they  
29 duplicate a portion of Section 59(b), Article XVI,  
30 Texas Constitution, which provides that a conservation  
31 and reclamation district is a governmental agency and  
32 body politic and corporate. The omitted law reads:

33 [Acts 77th Leg., R.S., Ch. 966]  
34 Sec. 3.1401. (a) . . . The district  
35 is a governmental agency and a body politic  
36 and corporate.

37 [Acts 77th Leg., R.S., Ch. 1307]  
38 Sec. 3.01. (a) . . . The district  
39 is a governmental agency and a body politic  
40 and corporate.

41 Revised Law

42 Sec. 8865.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
43 district is created to serve a public use and benefit.

44 (b) All land and other property included in the district

1 will benefit from the works and projects accomplished by the  
2 district under the powers conferred by Section 59, Article XVI,  
3 Texas Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1404;  
4 Acts 77th Leg., R.S., Ch. 1307, Sec. 3.04.)

5 Source Law

6 [Acts 77th Leg., R.S., Ch. 966]

7 Sec. 3.1404. All of the land and other property  
8 included within the boundaries of the district will be  
9 benefitted by the works and projects that are to be  
10 accomplished by the district under powers conferred by  
11 Section 59, Article XVI, Texas Constitution. The  
12 district is created to serve a public use and benefit.

13 [Acts 77th Leg., R.S., Ch. 1307]

14 Sec. 3.04. All of the land and other property  
15 included within the boundaries of the district will be  
16 benefitted by the works and projects that are to be  
17 accomplished by the district under powers conferred by  
18 Section 59, Article XVI, Texas Constitution. The  
19 district is created to serve a public use and benefit.

20 Revised Law

21 Sec. 8865.004. DISTRICT TERRITORY. The district's  
22 boundaries are coextensive with the boundaries of Milam and  
23 Burleson Counties unless the district's territory has been modified  
24 under:

- 25 (1) Subchapter J or K, Chapter 36, Water Code; or  
26 (2) other law. (Acts 77th Leg., R.S., Ch. 966, Sec.  
27 3.1403; Acts 77th Leg., R.S., Ch. 1307, Sec. 3.03; New.)

28 Source Law

29 [Acts 77th Leg., R.S., Ch. 966]

30 Sec. 3.1403. The boundaries of the district are  
31 coextensive with the boundaries of Milam and Burleson  
32 counties.

33 [Acts 77th Leg., R.S., Ch. 1307]

34 Sec. 3.03. The boundaries of the district are  
35 coextensive with the boundaries of Milam and Burleson  
36 counties.

37 Revisor's Note

38 Section 3.1403, Chapter 966, and Section 3.03,  
39 Chapter 1307, Acts of the 77th Legislature, Regular  
40 Session, 2001, contain a description of the territory  
41 of the district. That description may not be accurate  
42 on the effective date of the revised law or at the time  
43 of a later reading because the district's boundaries

1 are subject to change. For the reader's convenience,  
2 the revised law adds references to the authority to  
3 change the district's territory under Subchapter J or  
4 K, Chapter 36, Water Code, applicable to groundwater  
5 conservation districts, and to the general authority  
6 of the legislature to enact other laws under which the  
7 district's territory may change.

8 Revisor's Note  
9 (End of Subchapter)

10 Section 3.1405(a), Chapter 966, and Section  
11 3.05(a), Chapter 1307, Acts of the 77th Legislature,  
12 Regular Session, 2001, provide that the portions of  
13 the acts pertaining to the district prevail over  
14 general law, including Chapter 36, Water Code, in case  
15 of a conflict or inconsistency.

16 The revised law omits the portions of Section  
17 3.1405(a), Chapter 966, and Section 3.05(a), Chapter  
18 1307, pertaining to conflicts with general law because  
19 they substantively duplicate Section 311.026,  
20 Government Code (Code Construction Act), and part of  
21 Section 36.052(a), Water Code, which provides that a  
22 "special law governing a specific district" prevails  
23 over Chapter 36. Throughout this chapter, the revised  
24 law omits law that duplicates law contained in Chapter  
25 36, which applies to the district under Section  
26 8865.101 of this chapter and Section 36.001(1), Water  
27 Code. The omitted law reads:

28 [Acts 77th Leg., R.S., Ch. 966]  
29 Sec. 3.1405. (a) . . . This part  
30 prevails over any provision of general law  
31 that is in conflict or inconsistent with  
32 this part, including any provision of  
33 Chapter 36, Water Code.

34 [Acts 77th Leg., R.S., Ch. 1307]  
35 Sec. 3.05. (a) . . . This article  
36 prevails over any provision of general law  
37 that is in conflict or inconsistent with  
38 this article, including any provision of  
39 Chapter 36, Water Code.

40 [Sections 8865.005-8865.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 8865.051. COMPOSITION OF BOARD; TERMS. (a) The  
4 district is governed by a board of 10 directors.

5 (b) Directors serve staggered four-year terms.

6 (c) A director may serve consecutive terms. (Acts 77th Leg.,  
7 R.S., Ch. 966, Secs. 3.1409(a), (c), (f); Acts 77th Leg., R.S., Ch.  
8 1307, Secs. 3.10(a), (c), (f).)

9 Source Law

10 [Acts 77th Leg., R.S., Ch. 966]

11 Sec. 3.1409. (a) The district is governed by a  
12 board of 10 directors.

13 (c) Permanent directors serve four-year  
14 staggered terms.

15 (f) A director may serve consecutive terms.

16 [Acts 77th Leg., R.S., Ch. 1307]

17 Sec. 3.10. (a) The district is governed by a  
18 board of 10 directors.

19 (c) Permanent directors serve four-year  
20 staggered terms.

21 (f) A director may serve consecutive terms.

22 Revisor's Note

23 (1) Section 3.1409(c), Chapter 966, and Section  
24 3.10(c), Chapter 1307, Acts of the 77th Legislature,  
25 Regular Session, 2001, refer to "[p]ermanent"  
26 directors. The revised law omits "permanent."  
27 Section 3.1409, Chapter 966, and Section 3.10, Chapter  
28 1307, refer to "initial" and "permanent" directors to  
29 distinguish between the district's "initial" directors  
30 and subsequently serving "permanent" directors. For  
31 the reasons stated in Revisor's Note (2) to Section  
32 8865.052 and the revisor's notes at the end of this  
33 subchapter, the revised law omits provisions regarding  
34 "initial" directors. It is therefore no longer  
35 necessary to distinguish between "initial" and  
36 "permanent" directors, and the revised law is drafted  
37 accordingly.



1 agriculture in the county;

2 (3) one must be a director or employee of a rural water  
3 supply corporation in the county;

4 (4) one must represent active industrial interests in  
5 the county; and

6 (5) one must represent the interests of the county at  
7 large.

8 (b) The Burleson County Commissioners Court shall appoint  
9 five directors, of whom:

10 (1) one must represent municipal interests in the  
11 county;

12 (2) one must be a bona fide agricultural producer who  
13 derives a substantial portion of the producer's income from  
14 agriculture in the county;

15 (3) one must be a director or employee of a rural water  
16 supply corporation in the county;

17 (4) one must represent active industrial interests in  
18 the county; and

19 (5) one must represent the interests of the county at  
20 large.

21 (c) On January 1 of each even-numbered year, the appropriate  
22 commissioners court shall appoint the appropriate number of  
23 directors. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1410(d) (part);  
24 Acts 77th Leg., R.S., Ch. 1307, Secs. 3.11(a), (b), (d) (part).)

25 Source Law

26 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1410]

27 (d) . . . On January 1 of the second year  
28 following confirmation of the district and every two  
29 years after that date, the appropriate commissioners  
30 court shall appoint the appropriate number of  
31 permanent directors.

32 [Acts 77th Leg., R.S., Ch. 1307]

33 Sec. 3.11. (a) The Milam County Commissioners  
34 Court shall appoint five directors, of whom:

35 (1) one must represent municipal interests  
36 in the county;

37 (2) one must be a bona fide agricultural  
38 producer who derives a substantial portion of his or  
39 her income from agriculture in the county;

40 (3) one must be a director or employee of a  
41 rural water supply corporation in the county;

42 (4) one must represent active industrial

1 interests in the county; and  
2 (5) one must represent the interests of  
3 the county at large.

4 (b) The Burleson County Commissioners Court  
5 shall appoint five directors, of whom:

6 (1) one must represent municipal interests  
7 in the county;

8 (2) one must be a bona fide agricultural  
9 producer who derives a substantial portion of his or  
10 her income from agriculture in the county;

11 (3) one must be a director or employee of a  
12 rural water supply corporation in the county;

13 (4) one must represent active industrial  
14 interests in the county; and

15 (5) one must represent the interests of  
16 the county at large.

17 (d) . . . On January 1 of the second year  
18 following confirmation of the district and every two  
19 years after that date, the appropriate commissioners  
20 court shall appoint the appropriate number of  
21 permanent directors.

22 Revisor's Note

23 (1) Sections 3.1410(a) and (b), Chapter 966, and  
24 Sections 3.11(a) and (b), Chapter 1307, Acts of the  
25 77th Legislature, Regular Session, were enacted in  
26 2001. Chapter 966 provides for the appointment of  
27 directors by the Milam County Commissioners Court and  
28 the Burleson County Commissioners Court. Chapter 1307  
29 contains similar provisions regarding the appointment  
30 of directors by the Milam County Commissioners Court  
31 and the Burleson County Commissioners Court but is  
32 more specific in its requirements for who may serve in  
33 certain director positions. Section 6.01(d), Chapter  
34 1307, Acts of the 77th Legislature, Regular Session,  
35 2001, provides that "[t]o the extent of any conflicts,  
36 this Act prevails over any provision of Senate Bill No.  
37 2, Acts of the 77th Legislature, Regular Session,  
38 2001" (i.e., Chapter 966). Consequently, the revised  
39 law gives effect to the more specific requirements in  
40 Chapter 1307 and omits Sections 3.1410(a) and (b),  
41 Chapter 966, Acts of the 77th Legislature, Regular  
42 Session, 2001.

43 Additionally, the revised law omits Section  
44 6.01(d), Chapter 1307, Acts of the 77th Legislature,

1 Regular Session, 2001, because after the effective  
2 date of the revised law, that provision will have no  
3 continued effect. The omitted law reads:

4 [Acts 77th Leg., R.S., Ch. 966]

5 Sec. 3.1410. (a) The Milam County  
6 Commissioners Court shall appoint five  
7 directors, of whom:

8 (1) one must represent  
9 municipal interests in the county;

10 (2) one must represent  
11 agricultural interests in the county;

12 (3) one must represent rural  
13 water suppliers' interests in the county;

14 (4) one must represent  
15 industrial interests in the county; and

16 (5) one must represent the  
17 interests of the county at large.

18 (b) The Burleson County  
19 Commissioners Court shall appoint five  
20 directors, of whom:

21 (1) one must represent  
22 municipal interests in the county;

23 (2) one must represent  
24 agricultural interests in the county;

25 (3) one must represent rural  
26 water suppliers' interests in the county;

27 (4) one must represent  
28 industrial interests in the county; and

29 (5) one must represent the  
30 interests of the county at large.

31 [Acts 77th Leg., R.S., Ch. 1307, Sec. 6.01]

32 (d) To the extent of any conflicts,  
33 this Act prevails over any provision of  
34 Senate Bill No. 2, Acts of the 77th  
35 Legislature, Regular Session, 2001.

36 (2) Sections 3.1410(c) and (d), Chapter 966, and  
37 Sections 3.11(c) and (d), Chapter 1307, Acts of the  
38 77th Legislature, Regular Session, 2001, provide for  
39 the appointment and terms of office of the initial  
40 directors. The revised law omits those provisions as  
41 executed. The omitted law reads:

42 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1410]

43 (c) Each of the governing bodies  
44 authorized by this section to make an  
45 appointment shall appoint the appropriate  
46 number of initial directors as soon as  
47 practicable following the effective date of  
48 this Act, but not later than the 45th day  
49 after the effective date of this Act.

50 (d) The initial directors shall draw  
51 lots to determine their terms. Two initial  
52 directors from Milam County and two initial  
53 directors from Burleson County serve terms  
54 that expire on January 1 of the second year  
55 following the confirmation of the district  
56 at an election held under Section 3.1412 of  
57 this part. The remaining six initial

1 directors serve terms that expire on  
2 January 1 of the fourth year following the  
3 confirmation of the district. . . .

4 [Acts 77th Leg., R.S., Ch. 1307, Sec. 3.11]

5 (c) Each of the governing bodies  
6 authorized by this section to make an  
7 appointment shall appoint the appropriate  
8 number of initial directors as soon as  
9 practicable following the effective date of  
10 this Act, but not later than the 45th day  
11 after the effective date of this Act.

12 (d) The initial directors shall draw  
13 lots to determine their terms. Two initial  
14 directors from Milam County and two initial  
15 directors from Burleson County serve terms  
16 that expire on January 1 of the second year  
17 following the confirmation of the district  
18 at an election held under Section 3.13 of  
19 this article. The remaining six initial  
20 directors serve terms that expire on  
21 January 1 of the fourth year following the  
22 confirmation of the district. . . .

23 (3) Section 3.1410(d), Chapter 966, and Section  
24 3.11(d), Chapter 1307, Acts of the 77th Legislature,  
25 Regular Session, 2001, provide for the appointment of  
26 "permanent" directors "[o]n January 1 of the second  
27 year following confirmation of the district and every  
28 two years after that date." The revised law omits the  
29 reference to "permanent" directors for the reason  
30 stated in Revisor's Note (1) to Section 8865.051 and  
31 omits as executed the language referring to the first  
32 appointment of "permanent" directors on January 1 of  
33 the second year following confirmation of the  
34 district. The revised law also substitutes "each  
35 even-numbered year" for "every two years" after  
36 January 1 of the second year following confirmation of  
37 the district because the directors are appointed in  
38 even-numbered years following the confirmation  
39 election in 2002.

40 Revised Law

41 Sec. 8865.053. BOARD VACANCY. If there is a vacancy on the  
42 board, the commissioners court that appointed the director who  
43 vacated the office shall appoint a director to serve the remainder  
44 of the term. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1409(g); Acts  
45 77th Leg., R.S., Ch. 1307, Sec. 3.10(g).)

1 Source Law

2 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1409]

3 (g) If there is a vacancy on the board, the  
4 governing body of the entity that appointed the  
5 director who vacated the office shall appoint a  
6 director to serve the remainder of the term.

7 [Acts 77th Leg., R.S., Ch. 1307, Sec. 3.10]

8 (g) If there is a vacancy on the board, the  
9 governing body of the entity that appointed the  
10 director who vacated the office shall appoint a  
11 director to serve the remainder of the term.

12 Revisor's Note

13 Section 3.1409(g), Chapter 966, and Section  
14 3.10(g), Chapter 1307, Acts of the 77th Legislature,  
15 Regular Session, 2001, refer to the "governing body of  
16 the entity" that appointed a vacating director. The  
17 revised law substitutes "commissioners court" for the  
18 quoted language because a commissioners court is the  
19 governing body that appoints all directors.

20 Revised Law

21 Sec. 8865.054. COMPENSATION; EXPENSES. (a) A director is  
22 not entitled to receive compensation for serving as a director.

23 (b) A director may be reimbursed for actual, reasonable  
24 expenses incurred in discharging official duties. (Acts 77th Leg.,  
25 R.S., Ch. 966, Sec. 3.1409(h); Acts 77th Leg., R.S., Ch. 1307, Sec.  
26 3.10(h).)

27 Source Law

28 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1409]

29 (h) Directors are not entitled to receive  
30 compensation for serving as a director but may be  
31 reimbursed for actual, reasonable expenses incurred in  
32 the discharge of official duties.

33 [Acts 77th Leg., R.S., Ch. 1307, Sec. 3.10]

34 (h) Directors are not entitled to receive  
35 compensation for serving as a director but may be  
36 reimbursed for actual, reasonable expenses incurred in  
37 the discharge of official duties.

38 Revised Law

39 Sec. 8865.055. QUORUM; VOTE REQUIRED FOR BOARD ACTION. (a)  
40 A quorum exists when at least two-thirds of the directors are  
41 present.

42 (b) A majority vote of a quorum of the board is required for

1 board action. If there is a tie vote, the proposed action fails.  
2 (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1409(i); Acts 77th Leg.,  
3 R.S., Ch. 1307, Sec. 3.10(i).)

4 Source Law

5 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1409]

6 (i) A quorum exists when at least two-thirds of  
7 the board members are present. A majority vote of a  
8 quorum is required for board action. If there is a tie  
9 vote, the proposed action fails.

10 [Acts 77th Leg., R.S., Ch. 1307, Sec. 3.10]

11 (i) A quorum exists when at least two-thirds of  
12 the board members are present. A majority vote of a  
13 quorum is required for board action. If there is a tie  
14 vote, the proposed action fails.

15 Revisor's Note

16 (End of Subchapter)

17 (1) Section 3.1409(b), Chapter 966, and Section  
18 3.10(b), Chapter 1307, Acts of the 77th Legislature,  
19 Regular Session, 2001, provide that initial directors  
20 serve until permanent directors are appointed.  
21 Because the terms of the initial directors have  
22 expired, the revised law omits those provisions as  
23 executed. The omitted law reads:

24 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1409]

25 (b) Initial directors serve until  
26 permanent directors are appointed under  
27 Section 3.1410 of this part and qualified as  
28 required by Subsection (d) of this section.

29 [Acts 77th Leg., R.S., Ch. 1307, Sec. 3.10]

30 (b) Initial directors serve until  
31 permanent directors are appointed under  
32 Section 3.11 of this article and qualified  
33 as required by Subsection (d) of this  
34 section.

35 (2) Section 3.1411, Chapter 966, and Section  
36 3.12, Chapter 1307, Acts of the 77th Legislature,  
37 Regular Session, 2001, require the initial directors  
38 to hold an organizational meeting of the district.  
39 Section 3.1412, Chapter 966, and Section 3.13, Chapter  
40 1307, Acts of the 77th Legislature, Regular Session,  
41 2001, provide procedures for holding an election to  
42 confirm the district's creation. The revised law omits  
43 those provisions because the organizational meeting of

1 the initial directors has been held and the creation of  
2 the district has been confirmed. The omitted law  
3 reads:

4 [Acts 77th Leg., R.S., Ch. 966]

5 Sec. 3.1411. As soon as practicable  
6 after all the initial directors have been  
7 appointed and have qualified as provided in  
8 this part, a majority of the directors shall  
9 convene the organizational meeting of the  
10 district at a location within the district  
11 agreeable to a majority of the directors. If  
12 no location can be agreed on, the  
13 organizational meeting of the directors  
14 shall be at the Milam County Courthouse.

15 Sec. 3.1412. (a) The initial board  
16 of directors shall call and hold an election  
17 on the same date in each county within the  
18 district to confirm the creation of the  
19 district.

20 (b) Except as provided by this  
21 section, a confirmation election must be  
22 conducted as provided by Sections 36.017,  
23 36.018, and 36.019, Water Code, and Section  
24 41.001, Election Code.

25 (c) If the majority of qualified  
26 voters in a county who vote in the election  
27 vote to confirm the creation of the  
28 district, that county is included in the  
29 district.

30 (d) The district is dissolved and  
31 this part expires on August 31, 2003, unless  
32 the voters confirm the creation of the  
33 district before that date.

34 [Acts 77th Leg., R.S., Ch. 1307]

35 Sec. 3.12. As soon as practicable  
36 after all the initial directors have been  
37 appointed and have qualified as provided in  
38 this article, a majority of the directors  
39 shall convene the organizational meeting of  
40 the district at a location within the  
41 district agreeable to a majority of the  
42 directors. If no location can be agreed on,  
43 the organizational meeting of the directors  
44 shall be at the Milam County Courthouse.

45 Sec. 3.13. (a) The initial board of  
46 directors shall call and hold an election on  
47 the same date in each county within the  
48 district to confirm the creation of the  
49 district.

50 (b) Except as provided by this  
51 section, a confirmation election must be  
52 conducted as provided by Sections 36.017,  
53 36.018, and 36.019, Water Code, and Section  
54 41.001, Election Code.

55 (c) If the majority of qualified  
56 voters in a county who vote in the election  
57 vote to confirm the creation of the  
58 district, that county is included in the  
59 district. If the majority of qualified  
60 voters in a county who vote in the election  
61 vote not to confirm the creation of the  
62 district, that county is excluded from the  
63 district.

64 (d) The district is dissolved and

1 this article expires on August 31, 2003,  
2 unless the voters confirm the creation of  
3 the district before that date.

4 [Sections 8865.056-8865.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Revised Law

7 Sec. 8865.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
8 AND DUTIES. Except as otherwise provided by this chapter, the  
9 district has the rights, powers, privileges, functions, and duties  
10 provided by the general law of this state, including Chapter 36,  
11 Water Code, applicable to groundwater conservation districts  
12 created under Section 59, Article XVI, Texas Constitution. (Acts  
13 77th Leg., R.S., Ch. 966, Sec. 3.1405(a) (part); Acts 77th Leg.,  
14 R.S., Ch. 1307, Sec. 3.05(a) (part).)

15 Source Law

16 [Acts 77th Leg., R.S., Ch. 966]

17 Sec. 3.1405. (a) Except as otherwise provided  
18 by this part, the district has all of the rights,  
19 powers, privileges, authority, functions, and duties  
20 provided by the general law of this state, including  
21 Chapter 36, Water Code, applicable to groundwater  
22 conservation districts created under Section 59,  
23 Article XVI, Texas Constitution. . . .

24 [Acts 77th Leg., R.S., Ch. 1307]

25 Sec. 3.05. (a) Except as otherwise provided by  
26 this article, the district has all of the rights,  
27 powers, privileges, authority, functions, and duties  
28 provided by the general law of this state, including  
29 Chapter 36, Water Code, applicable to groundwater  
30 conservation districts created under Section 59,  
31 Article XVI, Texas Constitution. . . .

32 Revisor's Note

33 Section 3.1405(a), Chapter 966, and Section  
34 3.05(a), Chapter 1307, Acts of the 77th Legislature,  
35 Regular Session, 2001, refer to the "rights, powers,  
36 privileges, [and] authority" of the district. The  
37 revised law omits the reference to "authority"  
38 because, in context, "authority" is included in the  
39 meaning of "rights, powers, [and] privileges."

40 Revised Law

41 Sec. 8865.102. GROUNDWATER WELLS UNDER JURISDICTION OF  
42 RAILROAD COMMISSION. (a) In this section, "railroad commission"  
43 means the Railroad Commission of Texas.

1 (b) A groundwater well drilled or operated in the district  
2 under a permit issued by the railroad commission is under the  
3 exclusive jurisdiction of the railroad commission and is exempt  
4 from regulation by the district.

5 (c) Groundwater produced in an amount authorized by a  
6 railroad commission permit may be used in or exported from the  
7 district without a permit from the district.

8 (d) To the extent groundwater production exceeds railroad  
9 commission authorization, the holder of the railroad commission  
10 permit:

11 (1) must apply to the district for the appropriate  
12 permit for the excess production; and

13 (2) is subject to the applicable regulatory fees.

14 (e) Groundwater produced from a well under the jurisdiction  
15 of the railroad commission is generally exempt from water district  
16 fees. However, the district may impose either a pumping fee or an  
17 export fee on groundwater produced from an otherwise exempt mine  
18 well that is used for municipal purposes or by a public utility. A  
19 fee imposed by the district under this subsection may not exceed the  
20 fee imposed on other groundwater producers in the district. (Acts  
21 77th Leg., R.S., Ch. 966, Sec. 3.1407; Acts 77th Leg., R.S., Ch.  
22 1307, Sec. 3.07; New.)

23 Source Law

24 [Acts 77th Leg., R.S., Ch. 966]

25 Sec. 3.1407. (a) Groundwater wells drilled or  
26 operated within the district under permits issued by  
27 the Railroad Commission of Texas are under the  
28 exclusive jurisdiction of the railroad commission and  
29 are exempt from regulation by the district.

30 (b) Groundwater produced in an amount  
31 authorized by a Railroad Commission of Texas permit  
32 may be used within or exported from the district  
33 without obtaining a permit from the district.

34 (c) To the extent groundwater production  
35 exceeds Railroad Commission of Texas authorization,  
36 the holder of the railroad commission permit must  
37 apply to the district for appropriate permits for the  
38 excess production and is subject to the applicable  
39 regulatory fees.

40 (d) Groundwater produced from wells under the  
41 jurisdiction of the Railroad Commission of Texas is  
42 generally exempt from water district fees. However,  
43 the district may impose either a pumping fee or an  
44 export fee on groundwater produced from an otherwise  
45 exempt mine well that is used for municipal purposes or

1 by a public utility. Any fee imposed by the district  
2 under this subsection may not exceed the fee imposed on  
3 other groundwater producers in the district.

4 [Acts 77th Leg., R.S., Ch. 1307]

5 Sec. 3.07. (a) A groundwater well drilled or  
6 operated within the district under a permit issued by  
7 the Railroad Commission of Texas is under the  
8 exclusive jurisdiction of the railroad commission and  
9 is exempt from regulation by the district.

10 (b) Groundwater produced in an amount  
11 authorized by a railroad commission permit may be used  
12 within or exported from the district without a permit  
13 from the district.

14 (c) To the extent groundwater is produced in  
15 excess of railroad commission authorization, the  
16 holder of the railroad commission permit must apply to  
17 the district for the appropriate permit for the excess  
18 production and is subject to the applicable regulatory  
19 fees.

20 (d) Groundwater produced from a well under the  
21 jurisdiction of the railroad commission is generally  
22 exempt from water district fees. However, the district  
23 may impose either a pumping fee or an export fee on  
24 groundwater produced from an otherwise exempt mine  
25 well that is used for municipal purposes or by a public  
26 utility. Any fee imposed by the district under this  
27 subsection may not exceed the fee imposed on other  
28 groundwater producers in the district.

29 Revisor's Note

30 The definition of "railroad commission" is added  
31 to the revised law for drafting convenience and to  
32 eliminate frequent, unnecessary repetition of the  
33 substance of the definition.

34 Revised Law

35 Sec. 8865.103. LIMITATION ON POWER OF EMINENT DOMAIN. The  
36 district does not have the authority granted by Section 36.105,  
37 Water Code, relating to eminent domain. (Acts 77th Leg., R.S., Ch.  
38 966, Sec. 3.1405(b) (part); Acts 77th Leg., R.S., Ch. 1307, Sec.  
39 3.05(b) (part).)

40 Source Law

41 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1405]

42 (b) The district does not have the authority  
43 granted by the following provisions of Chapter 36,  
44 Water Code:

45 (1) Section 36.105, relating to eminent  
46 domain; and

47 . . .

48 [Acts 77th Leg., R.S., Ch. 1307, Sec. 3.05]

49 (b) The district does not have the authority  
50 granted by the following provisions of Chapter 36,  
51 Water Code:

52 (1) Section 36.105, relating to eminent  
53 domain; and

54 . . .



1 those provisions in the revised law.

2 As noted, Section 3.08(d) of Chapter 1307  
3 requires the district to follow the joint planning  
4 requirements under Chapter 36, Water Code, rather than  
5 the requirements of Sections 3.08(a)-(c) of that  
6 chapter if the Central Carrizo-Wilcox Coordinating  
7 Council is not created. In addition, as noted in  
8 Revisor's Note (1) to Section 8865.052, Section  
9 6.01(d) of Chapter 1307 provides that to the extent of  
10 any conflicts, Chapter 1307 prevails over Chapter 966.  
11 Those provisions of Chapters 966 and 1307, taken  
12 together, indicate a legislative intent that the  
13 district follow the joint planning requirements of  
14 Chapter 36, Water Code. Accordingly, the revised law  
15 also omits Section 3.1408, Chapter 966. The omitted  
16 law reads:

17 [Acts 77th Leg., R.S., Ch. 966]

18 Sec. 3.1408. (a) To provide for  
19 regional continuity, the district shall:

20 (1) participate in a regular  
21 annual coordination meeting with other  
22 groundwater districts in its designated  
23 management area and may hold coordination  
24 meetings at other times as needed;

25 (2) coordinate the collection  
26 of data with other groundwater districts in  
27 its designated management area in such a way  
28 as to achieve relative uniformity of data  
29 type and quality;

30 (3) coordinate efforts to  
31 monitor water quality with other  
32 groundwater districts in its designated  
33 management area, local governments, and  
34 state agencies;

35 (4) provide groundwater level  
36 data to other groundwater districts in its  
37 designated management area;

38 (5) investigate any groundwater  
39 and aquifer pollution with the intention of  
40 locating its source;

41 (6) notify other groundwater  
42 districts in its designated management area  
43 and all appropriate agencies of any  
44 detected groundwater pollution;

45 (7) annually provide to other  
46 groundwater districts in its designated  
47 management area an inventory of water wells  
48 and an estimate of groundwater production  
49 within the district; and

50 (8) include other groundwater  
51 districts in its designated management area  
52 on the mailing lists for district

1 newsletters, seminars, public education  
2 events, news articles, and field days.

3 (b) The district shall prepare a  
4 comprehensive management plan as required  
5 by Section 36.1071, Water Code, covering  
6 that district's respective territory. On  
7 completion and certification of the plan as  
8 required by Section 36.1072, Water Code,  
9 the district shall forward a copy of the new  
10 or revised management plan to the other  
11 districts in its designated management  
12 area. The district shall consider the  
13 management plans individually and shall  
14 compare them to other management plans in  
15 the designated management area.

16 (1) The district shall, by  
17 resolution, call for joint planning with  
18 the other districts in the designated  
19 management area to review and coordinate  
20 the management plans and accomplishments  
21 for the designated management area. In  
22 reviewing and coordinating the management  
23 plans, the boards shall consider:

24 (A) the goals of each  
25 management plan and its impact on planning  
26 throughout the management area;

27 (B) the groundwater  
28 management standards of each district  
29 describing the desired condition of the  
30 groundwater source over time as indicated  
31 by indices of quantity of water in the  
32 source, quality of water produced from the  
33 source, springflows, or subsidence of the  
34 land surface;

35 (C) the groundwater  
36 withdrawal rates adopted by each district  
37 and the effectiveness of those rates in  
38 achieving the groundwater management  
39 standard of the district;

40 (D) the effectiveness of  
41 the measures established by each management  
42 plan for conserving and protecting  
43 groundwater and preventing waste, and the  
44 effectiveness of these measures in the  
45 management area generally; and

46 (E) any other matters that  
47 the boards consider relevant to the  
48 protection and conservation of groundwater  
49 and the prevention of waste in the  
50 management area.

51 (2) In the management plan the  
52 district may establish and coordinate with  
53 the other districts within the designated  
54 management area an annual total groundwater  
55 withdrawal limit and equitable allocation  
56 as determined from an evaluation of the  
57 overall scientific data of the groundwater  
58 resources in the region, including the  
59 Texas Water Development Board's groundwater  
60 availability model. The determination of  
61 sustainable groundwater withdrawal shall be  
62 reviewed at least every five years.

63 (3) Each district participating  
64 in the joint planning process initiated  
65 under this subsection shall ensure that the  
66 groundwater management standards adopted by  
67 the district are adequate to protect the  
68 groundwater within the area of each  
69 district and are not incompatible with the

1 groundwater management standards adopted by  
2 the other districts in the management area.

3 (4) If a joint meeting of the  
4 boards of directors is called, the meeting  
5 must be held in accordance with Chapter 551,  
6 Government Code. Notice of the meeting  
7 shall be given in accordance with the  
8 requirements for notice of district board  
9 of directors meetings under that chapter.  
10 In addition, notice of the meeting shall be  
11 published not later than the 30th day before  
12 the date of the scheduled meeting in a  
13 newspaper with general circulation in each  
14 county in the management area.

15 (5) A district in the  
16 management area may file with good cause a  
17 petition with the Texas Natural Resource  
18 Conservation Commission requesting an  
19 inquiry if the petitioner district adopted  
20 a resolution calling for joint planning and  
21 the other district or districts refused to  
22 join in the planning process or the process  
23 failed to result in adequate planning, and  
24 the petition provides evidence that:

25 (A) another district in  
26 the management area has failed to adopt  
27 rules;

28 (B) the groundwater in the  
29 management area is not adequately protected  
30 by the rules adopted by another district; or

31 (C) the groundwater in the  
32 management area is not adequately protected  
33 due to the failure of another district to  
34 enforce substantial compliance with its  
35 rules.

36 (6) The district may contract  
37 to jointly conduct studies or research, or  
38 to construct projects, under terms and  
39 conditions that the districts consider  
40 beneficial with districts located within  
41 the same management area or in adjacent  
42 management areas. These joint efforts may  
43 include studies of groundwater availability  
44 and quality, aquifer modeling, and the  
45 interaction of groundwater and surface  
46 water; educational programs; the purchase  
47 and sharing of equipment; and the  
48 implementation of projects to make  
49 groundwater available, including aquifer  
50 recharge, brush control, weather  
51 modification, desalination,  
52 regionalization, and treatment or  
53 conveyance facilities. The districts may  
54 contract under their existing  
55 authorizations including those of Chapter  
56 791, Government Code, if their contracting  
57 authority is not limited by Sections  
58 791.011(c)(2) and (d)(3) and Section  
59 791.014, Government Code.

60 (c) The district shall determine  
61 biennially, using the overall available  
62 scientific data of groundwater resources in  
63 the Central Carrizo-Wilcox area, whether  
64 pumping within the district or an adjacent  
65 district is unreasonably affecting  
66 groundwater wells. The district, in  
67 agreement with other districts within the  
68 designated management area, may adopt  
69 mitigation measures in response to such

1 unreasonable adverse effects only if the  
2 measures are based on a scientific  
3 determination made.

4 (d) The district may assist in the  
5 mediation between landowners regarding the  
6 mitigation of the loss of existing  
7 groundwater supply of exempt domestic and  
8 livestock users due to the groundwater  
9 pumping of others in adjoining districts.

10 [Acts 77th Leg., R.S., Ch. 1307]

11 Sec. 3.08. (a) To provide for  
12 regional continuity, the district shall  
13 participate in a regular annual  
14 coordination meeting with any groundwater  
15 districts that are created and/or existing  
16 in Bastrop, Lee, Robertson, Brazos, Milam,  
17 Burleson, Leon, Madison, and/or Freestone  
18 counties, and may hold coordination  
19 meetings at other times as needed.

20 (b) Prior to the first annual  
21 regional coordination meeting held under  
22 Subsection (a), the district's board of  
23 directors shall vote whether to create and  
24 be a member of the Central Carrizo-Wilcox  
25 Coordinating Council under Article 5 of  
26 this Act.

27 (c) At the first annual regional  
28 coordination meeting held under Subsection  
29 (a), if all of the groundwater districts  
30 created and/or existing in Bastrop, Lee,  
31 Robertson, Brazos, Milam, Burleson, Leon,  
32 Madison, and/or Freestone counties  
33 unanimously vote to create and be members of  
34 the Central Carrizo-Wilcox Coordinating  
35 Council, then the district shall be a member  
36 of the Central Carrizo-Wilcox Coordinating  
37 Council under Article 5.

38 (d) If the Central Carrizo-Wilcox  
39 Coordinating Council is not created at the  
40 first annual regional coordination meeting  
41 held under Subsection (a), then the  
42 district shall follow the joint planning in  
43 management area requirements under Chapter  
44 36, Water Code.

45 (2) Section 3.09, Chapter 1307, Acts of the 77th  
46 Legislature, Regular Session, 2001, governs district  
47 management plans. Section 3.09(a) of that chapter  
48 requires the district to develop or contract to  
49 develop a management plan under Section 36.1071, Water  
50 Code. Section 3.09(b) of that chapter requires the  
51 district to submit the management plan to the Central  
52 Carrizo-Wilcox Coordinating Council to be included in  
53 the management plan developed by the council if the  
54 council is created. The revised law omits Section  
55 3.09(a) of Chapter 1307 because Section 36.1071, Water  
56 Code, applies to the district under Section 8865.101

1 of this chapter and Section 36.001(1), Water Code,  
2 without a specific reference to that provision in the  
3 revised law. The revised law omits Section 3.09(b) of  
4 Chapter 1307 because the Central Carrizo-Wilcox  
5 Coordinating Council has not been created (see  
6 Revisor's Note (1) at the end of this subchapter). The  
7 omitted law reads:

8 Sec. 3.09. (a) The district shall  
9 develop or contract to develop its own  
10 management plan under Section 36.1071,  
11 Water Code.

12 (b) The district shall submit its  
13 management plan under Subsection (a) to the  
14 Central Carrizo-Wilcox Coordinating  
15 Council to be included in the management  
16 plan developed by the Central  
17 Carrizo-Wilcox Coordinating Council under  
18 Section 5.06 of this Act, if the Central  
19 Carrizo-Wilcox Coordinating Council is  
20 created at the first annual regional  
21 coordination meeting.

22 [Sections 8865.104-8865.150 reserved for expansion]

23 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

24 Revised Law

25 Sec. 8865.151. FEES. (a) The board by rule may impose a  
26 reasonable fee on each well that is not exempt from regulation by  
27 the district and for which a permit is issued by the district. The  
28 fee may be based on:

29 (1) the size of column pipe used by the well; or

30 (2) the actual, authorized, or anticipated amount of  
31 water to be withdrawn from the well.

32 (b) Fees may not exceed:

33 (1) 25 cents per acre-foot for water used for  
34 irrigating agricultural crops; or

35 (2) 17 cents per thousand gallons for water used for  
36 any other purpose.

37 (c) In addition to the fee authorized under Subsection (a),  
38 the district may impose a reasonable fee or surcharge for an export  
39 fee using one of the following methods:

40 (1) a fee negotiated between the district and the  
41 transporter; or

1 (2) a combined production and export fee not to exceed  
2 17 cents per thousand gallons of water used.

3 (d) Fees authorized by this section may be:

4 (1) assessed annually; and

5 (2) used to pay the cost of operating the district.

6 (Acts 77th Leg., R.S., Ch. 966, Secs. 3.1406(a), (c); Acts 77th  
7 Leg., R.S., Ch. 1307, Sec. 3.06.)

8 Source Law

9 [Acts 77th Leg., R.S., Ch. 966]

10 Sec. 3.1406. (a) The board of directors of the  
11 district by rule may impose reasonable fees on each  
12 well for which a permit is issued by the district and  
13 which is not exempt from regulation by the district. A  
14 fee may be based on the size of column pipe used by the  
15 well or on the actual, authorized, or anticipated  
16 amount of water to be withdrawn from the well.

17 (c) In addition to the fee authorized under  
18 Subsection (b) of this section, the district may  
19 impose a reasonable fee or surcharge for an export fee  
20 using one of the following methods:

21 (1) a fee negotiated between the district  
22 and the transporter; or

23 (2) a combined production and export fee  
24 not to exceed 17 cents per thousand gallons for water  
25 used.

26 [Acts 77th Leg., R.S., Ch. 1307]

27 Sec. 3.06. (a) The board of directors of the  
28 district by rule may impose reasonable fees on each  
29 well for which a permit is issued by the district and  
30 which is not exempt from regulation by the district. A  
31 fee may be based on the size of column pipe used by the  
32 well or on the actual, authorized, or anticipated  
33 amount of water to be withdrawn from the well.

34 (b) Fees may not exceed:

35 (1) \$0.25 per acre-foot for water used for  
36 irrigating agricultural crops; or

37 (2) 17 cents per thousand gallons for  
38 water used for any other purpose.

39 (c) In addition to the fee authorized under  
40 Subsection (b) of this section, the district may  
41 impose a reasonable fee or surcharge for an export fee  
42 using one of the following methods:

43 (1) a fee negotiated between the district  
44 and the transporter; or

45 (2) a combined production and export fee  
46 not to exceed 17 cents per thousand gallons of water  
47 used.

48 (d) Fees authorized by this section may be  
49 assessed annually and may be used to fund the cost of  
50 operations of the district or the Central  
51 Carrizo-Wilcox Coordinating Council.

52 Revisor's Note

53 (1) Section 3.1406(b), Chapter 966, and Section  
54 3.06(b), Chapter 1307, Acts of the 77th Legislature,

1 Regular Session, were enacted in 2001. Chapter 966  
2 limits the amount of the fee that the district may  
3 charge under this section for water used for  
4 irrigating agricultural crops to one dollar per  
5 acre-foot. Chapter 1307 limits the amount of the fee  
6 for water used for that purpose to \$0.25 per acre-foot  
7 for water used for irrigating agricultural crops. For  
8 the reasons stated in Revisor's Note (1) to Section  
9 8865.052, the revised law gives effect to the fee  
10 limitation contained in Chapter 1307 and omits Section  
11 3.1406(b) of Chapter 966. The omitted law reads:

12 (b) Fees may not exceed:  
13 (1) one dollar per acre-foot  
14 for water used for irrigating agricultural  
15 crops; or  
16 (2) 17 cents per thousand  
17 gallons for water used for any other  
18 purpose.

19 (2) Section 3.1406(c), Chapter 966, and Section  
20 3.06(c), Chapter 1307, Acts of the 77th Legislature,  
21 Regular Session, 2001, refer to a "fee authorized  
22 under Subsection (b)." Subsection (b) of those  
23 sections provides a limit on the amount of the fee, but  
24 the fee is authorized under Subsection (a) of each of  
25 those sections. The revised law therefore substitutes  
26 a cross-reference to "Subsection (a)" for "Subsection  
27 (b)."

28 (3) Section 3.06(d), Chapter 1307, Acts of the  
29 77th Legislature, Regular Session, 2001, provides that  
30 district fees may be used to fund the operations of the  
31 district "or the Central Carrizo-Wilcox Coordinating  
32 Council." The revised law omits the quoted language  
33 for the reasons stated in Revisor's Note (1) at the end  
34 of Subchapter C.

35 Revised Law

36 Sec. 8865.152. LIMITATION ON AUTHORITY TO IMPOSE TAXES.  
37 The district does not have the authority granted by Sections 36.020

1 and 36.201-36.204, Water Code, relating to taxes. (Acts 77th Leg.,  
2 R.S., Ch. 966, Sec. 3.1405(b) (part); Acts 77th Leg., R.S., Ch.  
3 1307, Sec. 3.05(b) (part).)

4 Source Law

5 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1405]

6 (b) The district does not have the authority  
7 granted by the following provisions of Chapter 36,  
8 Water Code:

9 . . .  
10 (2) Sections 36.020 and 36.201-36.204,  
11 relating to taxes.

12 [Acts 77th Leg., R.S., Ch. 1307, Sec. 3.05]

13 (b) The district does not have the authority  
14 granted by the following provisions of Chapter 36,  
15 Water Code:

16 . . .  
17 (2) Sections 36.020 and 36.201-36.204,  
18 relating to taxes.

19 Revisor's Note  
20 (End of Chapter)

21 (1) Section 13.04, Chapter 966, and Sections  
22 6.01(a)-(c), Chapter 1307, Acts of the 77th  
23 Legislature, Regular Session, 2001, recite  
24 legislative findings regarding procedural  
25 requirements for legislation affecting the district  
26 under the constitution and other laws and rules,  
27 including proper legal notice and the filing of  
28 recommendations. The revised law omits those  
29 provisions as executed. The omitted law reads:

30 [Acts 77th Leg., R.S., Ch. 966]

31 Sec. 13.04. (a) The proper and  
32 legal notice of the intention to introduce  
33 this Act, setting forth the general  
34 substance of this Act, has been published as  
35 provided by law, and the notice and a copy  
36 of this Act have been furnished to all  
37 persons, agencies, officials, or entities  
38 to which they are required to be furnished  
39 by the constitution and other laws of this  
40 state, including the governor, who has  
41 submitted the notice and Act to the Texas  
42 Natural Resource Conservation Commission.

43 (b) The Texas Natural Resource  
44 Conservation Commission has filed its  
45 recommendations relating to this Act with  
46 the governor, lieutenant governor, and  
47 speaker of the house of representatives  
48 within the required time.

49 (c) All requirements of the  
50 constitution and laws of the state and the  
51 rules and procedures of the legislature  
52 with respect to the notice, introduction,

1 and passage of this Act are fulfilled and  
2 accomplished.

3 [Acts 77th Leg., R.S., Ch. 1307]

4 Sec. 6.01. (a) The proper and legal  
5 notice of the intention to introduce this  
6 Act, setting forth the general substance of  
7 this Act, has been published as provided by  
8 law, and the notice and a copy of this Act  
9 have been furnished to all persons,  
10 agencies, officials, or entities to which  
11 they are required to be furnished by the  
12 constitution and other laws of this state,  
13 including the governor, who has submitted  
14 the notice and Act to the Texas Natural  
15 Resource Conservation Commission.

16 (b) The Texas Natural Resource  
17 Conservation Commission has filed its  
18 recommendations relating to this Act with  
19 the governor, the lieutenant governor, and  
20 the speaker of the house of representatives  
21 within the required time.

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

28 (2) Section 13.05, Chapter 966, Acts of the 77th  
29 Legislature, Regular Session, 2001, provides that the  
30 act is severable. The revised law omits that provision  
31 because it duplicates Section 311.032, Government Code  
32 (Code Construction Act), which states that a provision  
33 of a statute is severable from each other provision of  
34 the statute that can be given effect. The omitted law  
35 reads:

36 [Acts 77th Leg., R.S., Ch. 966]

37 Sec. 13.05. If any provision of this  
38 Act or its application to any person or  
39 circumstance is held invalid, the  
40 invalidity does not affect other provisions  
41 or applications of this Act that can be  
42 given effect without the invalid provision  
43 or application, and to this end the  
44 provisions of this Act are declared to be  
45 severable.

46 CHAPTER 8866. MID-EAST TEXAS GROUNDWATER CONSERVATION DISTRICT

47 SUBCHAPTER A. GENERAL PROVISIONS

48 Sec. 8866.001. DEFINITIONS . . . . . 1196  
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50 Sec. 8866.003. FINDINGS OF PUBLIC USE AND BENEFIT . . . . . 1198  
51 Sec. 8866.004. DISTRICT TERRITORY . . . . . 1198

52 [Sections 8866.005-8866.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Sec. 8866.051. COMPOSITION OF BOARD; TERMS . . . . . 1200

3 Sec. 8866.052. APPOINTMENT OF DIRECTORS . . . . . 1202

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7 [Sections 8866.056-8866.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

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11 Sec. 8866.102. GROUNDWATER WELLS UNDER JURISDICTION OF

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14 [Sections 8866.104-8866.150 reserved for expansion]

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Sec. 8866.151. FEES . . . . . 1218

17 Sec. 8866.152. LIMITATION ON AUTHORITY TO IMPOSE TAXES . . . 1220

18 CHAPTER 8866. MID-EAST TEXAS GROUNDWATER CONSERVATION DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Revised Law

21 Sec. 8866.001. DEFINITIONS. In this chapter:

22 (1) "Board" means the district's board of directors.

23 (2) "Director" means a board member.

24 (3) "District" means the Mid-East Texas Groundwater  
 25 Conservation District. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1502;  
 26 Acts 77th Leg., R.S., Ch. 1307, Sec. 4.02; New.)

27 Source Law

28 [Acts 77th Leg., R.S., Ch. 966]  
 29 Sec. 3.1502. In this part, "district" means the  
 30 Mid-East Texas Groundwater Conservation District.

31 [Acts 77th Leg., R.S., Ch. 1307]  
 32 Sec. 4.02. In this article, "district" means  
 33 the Mid-East Texas Groundwater Conservation District.

34 Revisor's Note

35 The definitions of "board" and "director" are  
 36 added to the revised law for drafting convenience and

1 to eliminate frequent, unnecessary repetition of the  
2 substance of the definitions.

3 Revised Law

4 Sec. 8866.002. NATURE OF DISTRICT. The district is a  
5 groundwater conservation district in Leon, Madison, and Freestone  
6 Counties created under and essential to accomplish the purposes of  
7 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg., R.S.,  
8 Ch. 966, Secs. 3.1501(a) (part), (b); Acts 77th Leg., R.S., Ch.  
9 1307, Secs. 4.01(a) (part), (b).)

10 Source Law

11 [Acts 77th Leg., R.S., Ch. 966]

12 Sec. 3.1501. (a) A groundwater conservation  
13 district, to be known as the Mid-East Texas  
14 Groundwater Conservation District, is created in Leon,  
15 Madison, and Freestone counties, . . . .

16 (b) The district is created under and is  
17 essential to accomplish the purposes of Section 59,  
18 Article XVI, Texas Constitution.

19 [Acts 77th Leg., R.S., Ch. 1307]

20 Sec. 4.01. (a) A groundwater conservation  
21 district, to be known as the Mid-East Texas  
22 Groundwater Conservation District, is created in Leon,  
23 Madison, and Freestone counties, . . . .

24 (b) The district is created under and is  
25 essential to accomplish the purposes of Section 59,  
26 Article XVI, Texas Constitution.

27 Revisor's Note

28 (1) Section 3.1501(a), Chapter 966, and Section  
29 4.01(a), Chapter 1307, Acts of the 77th Legislature,  
30 Regular Session, 2001, refer to a confirmation  
31 election. Because the confirmation election has  
32 already been held, the revised law omits the  
33 provisions as executed. The omitted law reads:

34 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1501]

35 (a) . . . subject to approval at a  
36 confirmation election under Section 3.1512  
37 of this part. . . .

38 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.01]

39 (a) . . . subject to approval at a  
40 confirmation election under Section 4.13 of  
41 this article. . . .

42 (2) Section 3.1501(a), Chapter 966, and Section  
43 4.01(a), Chapter 1307, Acts of the 77th Legislature,  
44 Regular Session, 2001, provide that the district is a

1 governmental agency and body politic and corporate.  
2 The revised law omits those provisions because they  
3 duplicate a portion of Section 59(b), Article XVI,  
4 Texas Constitution, which provides that a conservation  
5 and reclamation district is a governmental agency and  
6 body politic and corporate. The omitted law reads:

7 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1501]

8 (a) . . . The district is a  
9 governmental agency and a body politic and  
10 corporate.

11 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.01]

12 (a) . . . The district is a  
13 governmental agency and a body politic and  
14 corporate.

15 Revised Law

16 Sec. 8866.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
17 district is created to serve a public use and benefit.

18 (b) All land and other property included in the district  
19 will benefit from the works and projects accomplished by the  
20 district under the powers conferred by Section 59, Article XVI,  
21 Texas Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1504;  
22 Acts 77th Leg., R.S., Ch. 1307, Sec. 4.04.)

23 Source Law

24 [Acts 77th Leg., R.S., Ch. 966]

25 Sec. 3.1504. All of the land and other property  
26 included within the boundaries of the district will be  
27 benefited by the works and projects that are to be  
28 accomplished by the district under powers conferred by  
29 Section 59, Article XVI, Texas Constitution. The  
30 district is created to serve a public use and benefit.

31 [Acts 77th Leg., R.S., Ch. 1307]

32 Sec. 4.04. All of the land and other property  
33 included within the boundaries of the district will be  
34 benefitted by the works and projects that are to be  
35 accomplished by the district under powers conferred by  
36 Section 59, Article XVI, Texas Constitution. The  
37 district is created to serve a public use and benefit.

38 Revised Law

39 Sec. 8866.004. DISTRICT TERRITORY. The district's  
40 boundaries are coextensive with the boundaries of Leon, Madison,  
41 and Freestone Counties unless the district's territory has been  
42 modified under:

43 (1) Subchapter J or K, Chapter 36, Water Code; or

1 (2) other law. (Acts 77th Leg., R.S., Ch. 966, Sec.  
2 3.1503; Acts 77th Leg., R.S., Ch. 1307, Sec. 4.03; New.)

3 Source Law

4 [Acts 77th Leg., R.S., Ch. 966]

5 Sec. 3.1503. The boundaries of the district are  
6 coextensive with the boundaries of Leon, Madison, and  
7 Freestone counties.

8 [Acts 77th Leg., R.S., Ch. 1307]

9 Sec. 4.03. The boundaries of the district are  
10 coextensive with the boundaries of Leon, Madison, and  
11 Freestone counties.

12 Revisor's Note

13 Section 3.1503, Chapter 966, and Section 4.03,  
14 Chapter 1307, Acts of the 77th Legislature, Regular  
15 Session, 2001, contain a description of the territory  
16 of the district. That description may not be accurate  
17 on the effective date of the revised law or at the time  
18 of a later reading because the district's boundaries  
19 are subject to change. For the reader's convenience,  
20 the revised law adds references to the authority to  
21 change the district's territory under Subchapter J or  
22 K, Chapter 36, Water Code, applicable to groundwater  
23 conservation districts, and to the general authority  
24 of the legislature to enact other laws under which the  
25 district's territory may change.

26 Revisor's Note

27 (End of Subchapter)

28 Section 3.1505(a), Chapter 966, and Section  
29 4.05(a), Chapter 1307, Acts of the 77th Legislature,  
30 Regular Session, 2001, provide that the portions of  
31 the acts pertaining to the district prevail over  
32 general law, including Chapter 36, Water Code, in case  
33 of a conflict or inconsistency.

34 The revised law omits the portions of Section  
35 3.1505(a), Chapter 966, and Section 4.05(a), Chapter  
36 1307, pertaining to conflicts with general law because  
37 they substantively duplicate Section 311.026,  
38 Government Code (Code Construction Act), and part of

1 Section 36.052(a), Water Code, which provides that a  
2 "special law governing a specific district" prevails  
3 over Chapter 36. Throughout this chapter, the revised  
4 law omits law that duplicates law contained in Chapter  
5 36, which applies to the district under Section  
6 8866.101 of this chapter and Section 36.001(1), Water  
7 Code. The omitted law reads:

8 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1505]  
9 (a) . . . This part prevails over any  
10 provision of general law that is in conflict  
11 or inconsistent with this part, including  
12 any provision of Chapter 36, Water Code.

13 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.05]  
14 (a) . . . This article prevails over  
15 any provision of general law that is in  
16 conflict or inconsistent with this article,  
17 including any provision of Chapter 36,  
18 Water Code.

19 [Sections 8866.005-8866.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Revised Law

22 Sec. 8866.051. COMPOSITION OF BOARD; TERMS. (a) The  
23 district is governed by a board of nine directors.

24 (b) Directors serve staggered four-year terms.

25 (c) A director may serve consecutive terms. (Acts 77th  
26 Leg., R.S., Ch. 966, Secs. 3.1509(a), (c), (f); Acts 77th Leg.,  
27 R.S., Ch. 1307, Secs. 4.10(a), (c), (f).)

28 Source Law

29 [Acts 77th Leg., R.S., Ch. 966]  
30 Sec. 3.1509. (a) The district is governed by a  
31 board of nine directors.

32 (c) Permanent directors serve four-year  
33 staggered terms.

34 (f) A director may serve consecutive terms.

35 [Acts 77th Leg., R.S., Ch. 1307]  
36 Sec. 4.10. (a) The district is governed by a  
37 board of nine directors.

38 (c) Permanent directors serve four-year  
39 staggered terms.

40 (f) A director may serve consecutive terms.

41 Revisor's Note

42 (1) Section 3.1509(c), Chapter 966, and Section

1 4.10(c), Chapter 1307, Acts of the 77th Legislature,  
2 Regular Session, 2001, refer to "[p]ermanent"  
3 directors. The revised law omits "permanent."  
4 Section 3.1509, Chapter 966, and Section 4.10, Chapter  
5 1307, refer to "initial" and "permanent" directors to  
6 distinguish between the district's "initial" directors  
7 and subsequently serving "permanent" directors. For  
8 the reasons stated in Revisor's Note (2) to Section  
9 8866.052 and the revisor's notes at the end of this  
10 subchapter, the revised law omits provisions regarding  
11 "initial" directors. It is, therefore, no longer  
12 necessary to distinguish between "initial" and  
13 "permanent" directors, and the revised law is drafted  
14 accordingly.

15 (2) Section 3.1509(d), Chapter 966, and Section  
16 4.10(d), Chapter 1307, Acts of the 77th Legislature,  
17 Regular Session, 2001, provide that a director must  
18 qualify to serve in the manner provided by Section  
19 36.055, Water Code. The revised law omits those  
20 provisions because Section 36.055, Water Code, applies  
21 to the district under Section 8866.101 of this chapter  
22 and Section 36.001(1), Water Code. The omitted law  
23 reads:

24 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1509]  
25 (d) Each director must qualify to  
26 serve as a director in the manner provided  
27 by Section 36.055, Water Code.

28 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.10]  
29 (d) Each director must qualify to  
30 serve as a director in the manner provided  
31 by Section 36.055, Water Code.

32 (3) Section 3.1509(e), Chapter 966, and Section  
33 4.10(e), Chapter 1307, Acts of the 77th Legislature,  
34 Regular Session, 2001, provide that a director serves  
35 until a successor has qualified. The revised law omits  
36 those provisions because they duplicate Section 17,  
37 Article XVI, Texas Constitution, which provides that

1 an officer in this state continues to perform the  
2 officer's official duties until a successor has  
3 qualified. The omitted law reads:

4 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1509]  
5 (e) A director serves until the  
6 director's successor has qualified.

7 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.10]  
8 (e) A director serves until the  
9 director's successor has qualified.

10 Revised Law

11 Sec. 8866.052. APPOINTMENT OF DIRECTORS. (a) The Leon  
12 County Commissioners Court shall appoint three directors, of whom:

13 (1) one must represent the interests of municipalities  
14 in the county, or must be a director or employee of a rural water  
15 supply corporation in the county, or both;

16 (2) one must be a bona fide agricultural producer who  
17 derives a substantial portion of the producer's income from  
18 agriculture in the county; and

19 (3) one must represent active industrial interests in  
20 the county.

21 (b) The Madison County Commissioners Court shall appoint  
22 three directors, of whom:

23 (1) one must represent the interests of municipalities  
24 in the county, or must be a director or employee of a rural water  
25 supply corporation in the county, or both;

26 (2) one must be a bona fide agricultural producer who  
27 derives a substantial portion of the producer's income from  
28 agriculture in the county; and

29 (3) one must represent active industrial interests in  
30 the county.

31 (c) The Freestone County Commissioners Court shall appoint  
32 three directors, of whom:

33 (1) one must represent the interests of municipalities  
34 in the county, or must be a director or employee of a rural water  
35 supply corporation in the county, or both;

36 (2) one must be a bona fide agricultural producer who

1 derives a substantial portion of the producer's income from  
2 agriculture in the county; and

3 (3) one must represent active industrial interests in  
4 the county.

5 (d) On January 1 of each even-numbered year, the appropriate  
6 commissioners courts shall appoint the appropriate number of  
7 directors. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1510(e) (part);  
8 Acts 77th Leg., R.S., Ch. 1307, Secs. 4.11(a), (b), (c), (e)  
9 (part).)

10 Source Law

11 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1510]

12 (e) . . . On January 1 of the second year  
13 following confirmation of the district and every two  
14 years after that date, the appropriate commissioners  
15 courts shall appoint the appropriate number of  
16 permanent directors.

17 [Acts 77th Leg., R.S., Ch. 1307]

18 Sec. 4.11. (a) The Leon County Commissioners  
19 Court shall appoint three directors, of whom:

20 (1) one must represent the interests of  
21 municipalities in the county, or must be a director or  
22 employee of a rural water supply corporation in the  
23 county, or both;

24 (2) one must be a bona fide agricultural  
25 producer who derives a substantial portion of his or  
26 her income from agriculture in the county; and

27 (3) one must represent active industrial  
28 interests in the county.

29 (b) The Madison County Commissioners Court  
30 shall appoint three directors, of whom:

31 (1) one must represent the interests of  
32 municipalities in the county, or must be a director or  
33 employee of a rural water supply corporation in the  
34 county, or both;

35 (2) one must be a bona fide agricultural  
36 producer who derives a substantial portion of his or  
37 her income from agriculture in the county; and

38 (3) one must represent active industrial  
39 interests in the county.

40 (c) The Freestone County Commissioners Court  
41 shall appoint three directors, of whom:

42 (1) one must represent the interests of  
43 municipalities in the county, or must be a director or  
44 employee of a rural water supply corporation in the  
45 county, or both;

46 (2) one must be a bona fide agricultural  
47 producer who derives a substantial portion of his or  
48 her income from agriculture in the county; and

49 (3) one must represent active industrial  
50 interests in the county.

51 (e) . . . On January 1 of the second year  
52 following confirmation of the district and every two  
53 years after that date, the appropriate commissioners  
54 courts shall appoint the appropriate number of  
55 permanent directors.

1 Revisor's Note

2 (1) Sections 3.1510(a), (b), and (c), Chapter  
3 966, and Sections 4.11(a), (b), and (c), Chapter 1307,  
4 Acts of the 77th Legislature, Regular Session, were  
5 enacted in 2001. Chapter 966 provides for the  
6 appointment of directors by the Leon County  
7 Commissioners Court, the Madison County Commissioners  
8 Court, and the Freestone County Commissioners Court.  
9 Chapter 1307 contains similar provisions regarding the  
10 appointment of directors by the Leon County  
11 Commissioners Court, the Madison County Commissioners  
12 Court, and the Freestone County Commissioners Court  
13 but is more specific in its requirements concerning  
14 who may serve in each director position.

15 Section 6.01(d), Chapter 1307, Acts of the 77th  
16 Legislature, Regular Session, 2001, provides that  
17 "[t]o the extent of any conflicts, this Act prevails  
18 over any provision of Senate Bill No. 2, Acts of the  
19 77th Legislature, Regular Session, 2001" (i.e.,  
20 Chapter 966). Consequently, the revised law gives  
21 effect to the more specific requirements in Chapter  
22 1307 and omits Sections 3.1510(a), (b), and (c),  
23 Chapter 966, Acts of the 77th Legislature, Regular  
24 Session, 2001.

25 Additionally, the revised law omits Section  
26 6.01(d), Chapter 1307, Acts of the 77th Legislature,  
27 Regular Session, 2001, because after the effective  
28 date of the revised law, that provision will have no  
29 continuing effect. The omitted law reads:

30 [Acts 77th Leg., R.S., Ch. 966]

31 Sec. 3.1510. (a) The Leon County  
32 Commissioners Court shall appoint three  
33 directors, of whom:

34 (1) one must represent the  
35 interests of rural water suppliers or  
36 municipalities in the county, or both;

37 (2) one must represent  
38 agricultural interests in the county; and

39 (3) one must represent

1 industrial interests in the county.

2 (b) The Madison County Commissioners  
3 Court shall appoint three directors, of  
4 whom:

5 (1) one must represent the  
6 interests of rural water suppliers or  
7 municipalities in the county, or both;

8 (2) one must represent  
9 agricultural interests in the county; and

10 (3) one must represent  
11 industrial interests in the county.

12 (c) The Freestone County  
13 Commissioners Court shall appoint three  
14 directors, of whom:

15 (1) one must represent the  
16 interests of rural water suppliers or  
17 municipalities in the county, or both;

18 (2) one must represent  
19 agricultural interests in the county; and

20 (3) one must represent  
21 industrial interests in the county.

22 [Acts 77th Leg., R.S., Ch. 1307, Sec. 6.01]

23 (d) To the extent of any conflicts,  
24 this Act prevails over any provision of  
25 Senate Bill No. 2, Acts of the 77th  
26 Legislature, Regular Session, 2001.

27 (2) Sections 3.1510(d) and (e), Chapter 966, and  
28 Sections 4.11(d) and (e), Chapter 1307, Acts of the  
29 77th Legislature, Regular Session, 2001, provide for  
30 the appointment and terms of office of the initial  
31 directors. The revised law omits those provisions as  
32 executed. The omitted law reads:

33 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1510]

34 (d) Each of the governing bodies  
35 authorized by this section to make an  
36 appointment shall appoint the appropriate  
37 number of initial directors as soon as  
38 practicable following the effective date of  
39 this Act, but not later than the 45th day  
40 after the effective date of this Act.

41 (e) The initial directors shall draw  
42 lots to determine their terms. A simple  
43 majority of the initial directors, if an odd  
44 number of initial directors are appointed,  
45 or half the initial directors, if an even  
46 number of initial directors are appointed,  
47 serve terms that expire on January 1 of the  
48 fourth year following the confirmation of  
49 the district at an election held under  
50 Section 3.1512 of this part. The remaining  
51 initial directors serve terms that expire  
52 on January 1 of the second year following  
53 the confirmation of the district. . . .

54 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.11]

55 (d) Each of the governing bodies  
56 authorized by this section to make an  
57 appointment shall appoint the appropriate  
58 number of initial directors as soon as  
59 practicable following the effective date of  
60 this Act, but not later than the 45th day

1 after the effective date of this Act.

2 (e) The initial directors shall draw  
3 lots to determine their terms. A simple  
4 majority of the initial directors, if an odd  
5 number of initial directors are appointed,  
6 or half the initial directors, if an even  
7 number of initial directors are appointed,  
8 serve terms that expire on January 1 of the  
9 fourth year following the confirmation of  
10 the district at an election held under  
11 Section 4.13 of this article. The remaining  
12 initial directors serve terms that expire  
13 on January 1 of the second year following  
14 the confirmation of the district. . . .

15 (3) Section 3.1510(e), Chapter 966, and Section  
16 4.11(e), Chapter 1307, Acts of the 77th Legislature,  
17 Regular Session, 2001, provide for the appointment of  
18 "permanent" directors "[o]n January 1 of the second  
19 year following confirmation of the district and every  
20 two years after that date." The revised law omits the  
21 reference to "permanent" directors for the reason  
22 stated in Revisor's Note (1) to Section 8866.051 and  
23 omits as executed the language referring to the first  
24 appointment of "permanent" directors on January 1 of  
25 the second year following confirmation of the  
26 district.

27 The revised law also substitutes "each  
28 even-numbered year" for "every two years" after  
29 January 1 of the second year following confirmation of  
30 the district because the directors are appointed in  
31 even-numbered years following the confirmation  
32 election in 2002.

33 Revised Law

34 Sec. 8866.053. BOARD VACANCY. If there is a vacancy on the  
35 board, the commissioners court that appointed the director who  
36 vacated the office shall appoint a director to serve the remainder  
37 of the term. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1509(g); Acts  
38 77th Leg., R.S., Ch. 1307, Sec. 4.10(g).)

39 Source Law

40 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1509]

41 (g) If there is a vacancy on the board, the  
42 governing body of the entity that appointed the  
43 director who vacated the office shall appoint a

1 director to serve the remainder of the term.

2 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.10]

3 (g) If there is a vacancy on the board, the  
4 governing body of the entity that appointed the  
5 director who vacated the office shall appoint a  
6 director to serve the remainder of the term.

7 Revisor's Note

8 Section 3.1509(g), Chapter 966, and Section  
9 4.10(g), Chapter 1307, Acts of the 77th Legislature,  
10 Regular Session, 2001, refer to the "governing body of  
11 the entity" that appointed a vacating director. The  
12 revised law substitutes "commissioners court" for the  
13 quoted language because a commissioners court is the  
14 governing body that appoints all directors.

15 Revised Law

16 Sec. 8866.054. COMPENSATION; EXPENSES. (a) A director is  
17 not entitled to receive compensation for serving as a director.

18 (b) A director may be reimbursed for actual, reasonable  
19 expenses incurred in discharging official duties. (Acts 77th Leg.,  
20 R.S., Ch. 966, Sec. 3.1509(h); Acts 77th Leg., R.S., Ch. 1307, Sec.  
21 4.10(h).)

22 Source Law

23 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1509]

24 (h) Directors are not entitled to receive  
25 compensation for serving as a director but may be  
26 reimbursed for actual, reasonable expenses incurred in  
27 the discharge of official duties.

28 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.10]

29 (h) Directors are not entitled to receive  
30 compensation for serving as a director but may be  
31 reimbursed for actual, reasonable expenses incurred in  
32 the discharge of official duties.

33 Revised Law

34 Sec. 8866.055. VOTE REQUIRED FOR BOARD ACTION. A majority  
35 vote of a quorum of the board is required for board action. If there  
36 is a tie vote, the proposed action fails. (Acts 77th Leg., R.S., Ch.  
37 966, Sec. 3.1509(i); Acts 77th Leg., R.S., Ch. 1307, Sec. 4.10(i).)

38 Source Law

39 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1509]

40 (i) A majority vote of a quorum is required for  
41 board action. If there is a tie vote, the proposed  
42 action fails.

1 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.10]  
2 (i) A majority vote of a quorum is required for  
3 board action. If there is a tie vote, the proposed  
4 action fails.

5 Revisor's Note  
6 (End of Subchapter)

7 (1) Section 3.1509(b), Chapter 966, and Section  
8 4.10(b), Chapter 1307, Acts of the 77th Legislature,  
9 Regular Session, 2001, provide that initial directors  
10 serve until permanent directors are appointed.  
11 Because the terms of the initial directors have  
12 expired, the revised law omits those provisions as  
13 executed. The omitted law reads:

14 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1509]  
15 (b) Initial directors serve until  
16 permanent directors are appointed under  
17 Section 3.1510 of this part and qualified as  
18 required by Subsection (d) of this section.

19 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.10]  
20 (b) Initial directors serve until  
21 permanent directors are appointed under  
22 Section 4.11 of this article and qualified  
23 as required by Subsection (d) of this  
24 section.

25 (2) Section 3.1511, Chapter 966, and Section  
26 4.12, Chapter 1307, Acts of the 77th Legislature,  
27 Regular Session, 2001, require the initial directors  
28 to hold an organizational meeting of the district.  
29 Section 3.1512, Chapter 966, and Section 4.13, Chapter  
30 1307, Acts of the 77th Legislature, Regular Session,  
31 2001, provide procedures for holding an election to  
32 confirm the district's creation. The revised law omits  
33 those provisions because the organizational meeting of  
34 the initial directors has been held and the creation of  
35 the district has been confirmed. The omitted law  
36 reads:

37 [Acts 77th Leg., R.S., Ch. 966]  
38 Sec. 3.1511. As soon as practicable  
39 after all the initial directors have been  
40 appointed and have qualified as provided by  
41 this part, a majority of the directors shall  
42 convene the organizational meeting of the  
43 district at a location within the district  
44 agreeable to a majority of the directors.  
45 If no location can be agreed on, the  
46 organizational meeting of the directors

1 shall be at the Leon County Courthouse.

2 Sec. 3.1512. (a) The initial board  
3 of directors shall call and hold an election  
4 on the same date in each county within the  
5 district to confirm the creation of the  
6 district.

7 (b) Except as provided by this  
8 section, a confirmation election must be  
9 conducted as provided by Sections 36.017,  
10 36.018, and 36.019, Water Code, and Section  
11 41.001, Election Code.

12 (c) If the majority of qualified  
13 voters in a county who vote in the election  
14 vote to confirm the creation of the  
15 district, that county is included in the  
16 district. If the majority of qualified  
17 voters in a county who vote in the election  
18 vote not to confirm the creation of the  
19 district, that county is excluded from the  
20 district.

21 (d) The district is dissolved and  
22 this part expires on August 31, 2003, unless  
23 the voters confirm the creation of the  
24 district before that date.

25 [Acts 77th Leg., R.S., Ch. 1307]

26 Sec. 4.12. As soon as practicable  
27 after all the initial directors have been  
28 appointed and have qualified as provided by  
29 this article, a majority of the directors  
30 shall convene the organizational meeting of  
31 the district at a location within the  
32 district agreeable to a majority of the  
33 directors. If no location can be agreed on,  
34 the organizational meeting of the directors  
35 shall be at the Leon County Courthouse.

36 Sec. 4.13. (a) The initial board of  
37 directors shall call and hold an election on  
38 the same date in each county within the  
39 district to confirm the creation of the  
40 district.

41 (b) Except as provided by this  
42 section, a confirmation election must be  
43 conducted as provided by Sections 36.017,  
44 36.018, and 36.019, Water Code, and Section  
45 41.001, Election Code.

46 (c) If the majority of qualified  
47 voters in a county who vote in the election  
48 vote to confirm the creation of the  
49 district, that county is included in the  
50 district. If the majority of qualified  
51 voters in a county who vote in the election  
52 vote not to confirm the creation of the  
53 district, that county is excluded from the  
54 district.

55 (d) The district is dissolved and  
56 this article expires on August 31, 2003,  
57 unless the voters confirm the creation of  
58 the district before that date.

59 [Sections 8866.056-8866.100 reserved for expansion]

60 SUBCHAPTER C. POWERS AND DUTIES

61 Revised Law

62 Sec. 8866.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
63 AND DUTIES. Except as otherwise provided by this chapter, the

1 district has the rights, powers, privileges, functions, and duties  
2 provided by the general law of this state, including Chapter 36,  
3 Water Code, applicable to groundwater conservation districts  
4 created under Section 59, Article XVI, Texas Constitution. (Acts  
5 77th Leg., R.S., Ch. 966, Sec. 3.1505(a) (part); Acts 77th Leg.,  
6 R.S., Ch. 1307, Sec. 4.05(a) (part).)

7 Source Law

8 [Acts 77th Leg., R.S., Ch. 966]

9 Sec. 3.1505. (a) Except as otherwise provided  
10 by this part, the district has all of the rights,  
11 powers, privileges, authority, functions, and duties  
12 provided by the general law of this state, including  
13 Chapter 36, Water Code, applicable to groundwater  
14 conservation districts created under Section 59,  
15 Article XVI, Texas Constitution. . . .

16 [Acts 77th Leg., R.S., Ch. 1307]

17 Sec. 4.05. (a) Except as otherwise provided by  
18 this article, the district has all of the rights,  
19 powers, privileges, authority, functions, and duties  
20 provided by the general law of this state, including  
21 Chapter 36, Water Code, applicable to groundwater  
22 conservation districts created under Section 59,  
23 Article XVI, Texas Constitution. . . .

24 Revisor's Note

25 Section 3.1505(a), Chapter 966, and Section  
26 4.05(a), Chapter 1307, Acts of the 77th Legislature,  
27 Regular Session, 2001, refer to the "rights, powers,  
28 privileges, [and] authority" of the district. The  
29 revised law omits the reference to "authority"  
30 because, in context, "authority" is included in the  
31 meaning of "rights, powers, [and] privileges."

32 Revised Law

33 Sec. 8866.102. GROUNDWATER WELLS UNDER JURISDICTION OF  
34 RAILROAD COMMISSION. (a) In this section, "railroad commission"  
35 means the Railroad Commission of Texas.

36 (b) A groundwater well drilled or operated in the district  
37 under a permit issued by the railroad commission is under the  
38 exclusive jurisdiction of the railroad commission and is exempt  
39 from regulation by the district.

40 (c) Groundwater produced in an amount authorized by a  
41 railroad commission permit may be used in or exported from the

1 district without a permit from the district.

2 (d) To the extent groundwater production exceeds railroad  
3 commission authorization, the holder of the railroad commission  
4 permit:

5 (1) must apply to the district for the appropriate  
6 permit for the excess production; and

7 (2) is subject to the applicable regulatory fees.

8 (e) Groundwater produced from a well under the jurisdiction  
9 of the railroad commission is generally exempt from water district  
10 fees. However, the district may impose either a pumping fee or an  
11 export fee on groundwater produced from an otherwise exempt mine  
12 well that is used for municipal purposes or by a public utility. A  
13 fee imposed by the district under this subsection may not exceed the  
14 fee imposed on other groundwater producers in the district. (Acts  
15 77th Leg., R.S., Ch. 966, Sec. 3.1507; Acts 77th Leg., R.S., Ch.  
16 1307, Sec. 4.07; New.)

17 Source Law

18 [Acts 77th Leg., R.S., Ch. 966]

19 Sec. 3.1507. (a) Groundwater wells drilled or  
20 operated within the district under permits issued by  
21 the Railroad Commission of Texas are under the  
22 exclusive jurisdiction of the railroad commission and  
23 are exempt from regulation by the district.

24 (b) Groundwater produced in an amount  
25 authorized by a Railroad Commission of Texas permit  
26 may be used within or exported from the district  
27 without obtaining a permit from the district.

28 (c) To the extent groundwater production  
29 exceeds Railroad Commission of Texas authorization,  
30 the holder of the railroad commission permit must  
31 apply to the district for appropriate permits for the  
32 excess production and is subject to the applicable  
33 regulatory fees.

34 (d) Groundwater produced from wells under the  
35 jurisdiction of the Railroad Commission of Texas is  
36 generally exempt from water district fees. However,  
37 the district may impose either a pumping fee or an  
38 export fee on groundwater produced from an otherwise  
39 exempt mine well that is used for municipal purposes or  
40 by a public utility. Any fee imposed by the district  
41 under this subsection may not exceed the fee imposed on  
42 other groundwater producers in the district.

43 [Acts 77th Leg., R.S., Ch. 1307]

44 Sec. 4.07. (a) A groundwater well drilled or  
45 operated within the district under a permit issued by  
46 the Railroad Commission of Texas is under the  
47 exclusive jurisdiction of the railroad commission and  
48 is exempt from regulation by the district.

49 (b) Groundwater produced in an amount  
50 authorized by a railroad commission permit may be used

1 within or exported from the district without a permit  
2 from the district.

3 (c) To the extent groundwater is produced in  
4 excess of railroad commission authorization, the  
5 holder of the railroad commission permit must apply to  
6 the district for the appropriate permit for the excess  
7 production and is subject to the applicable regulatory  
8 fees.

9 (d) Groundwater produced from a well under the  
10 jurisdiction of the railroad commission is generally  
11 exempt from water district fees. However, the  
12 district may impose either a pumping fee or an export  
13 fee on groundwater produced from an otherwise exempt  
14 mine well that is used for municipal purposes or by a  
15 public utility. Any fee imposed by the district under  
16 this subsection may not exceed the fee imposed on other  
17 groundwater producers in the district.

18 Revisor's Note

19 The definition of "railroad commission" is added  
20 to the revised law for drafting convenience and to  
21 eliminate frequent, unnecessary repetition of the  
22 substance of the definition.

23 Revised Law

24 Sec. 8866.103. LIMITATION ON POWER OF EMINENT DOMAIN. The  
25 district does not have the authority granted by Section 36.105,  
26 Water Code, relating to eminent domain. (Acts 77th Leg., R.S., Ch.  
27 966, Sec. 3.1505(b) (part); Acts 77th Leg., R.S., Ch. 1307, Sec.  
28 4.05(b) (part).)

29 Source Law

30 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1505]

31 (b) The district does not have the authority  
32 granted by the following provisions of Chapter 36,  
33 Water Code:

34 (1) Section 36.105, relating to eminent  
35 domain; and

36 . . .

37 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.05]

38 (b) The district does not have the authority  
39 granted by the following provisions of Chapter 36,  
40 Water Code:

41 (1) Section 36.105, relating to eminent  
42 domain; and

43 . . .

44 Revisor's Note

45 (End of Subchapter)

46 (1) Section 3.1508, Chapter 966, Acts of the  
47 77th Legislature, Regular Session, 2001, requires the  
48 district to coordinate with other groundwater  
49 districts in its designated management area to manage

1 groundwater.

2 Section 4.08, Chapter 1307, Acts of the 77th  
3 Legislature, Regular Session, 2001, also addresses  
4 regional coordination. Under Subsections (a)-(c) of  
5 that section, the district is required to coordinate  
6 with other groundwater districts in certain specified  
7 counties as a part of the Central Carrizo-Wilcox  
8 Coordinating Council. However, under Subsection (d)  
9 of that section, if the Central Carrizo-Wilcox  
10 Coordinating Council is not created at the first  
11 regional coordination meeting held under Subsection  
12 (a) of that section, the district is required to follow  
13 the joint planning in management area requirements  
14 under Chapter 36, Water Code.

15 The districts located in Groundwater Management  
16 Area 12, which includes all of the counties listed in  
17 Section 4.08(a), Chapter 1307, have met at least twice  
18 since the creation of the district, but the Central  
19 Carrizo-Wilcox Coordinating Council has not been  
20 created. The revised law therefore omits Sections  
21 4.08(a), (b), and (c), Chapter 1307, as unnecessary  
22 because the council has not been created and the  
23 authority to create the council has expired. The  
24 revised law also omits Section 4.08(d), Chapter 1307,  
25 because the joint planning in management area  
26 requirements under Chapter 36, Water Code, apply to  
27 the district under Section 8866.101 of this chapter  
28 and Section 36.001(1), Water Code, without a specific  
29 reference to those requirements in the revised law.

30 As noted, Section 4.08(d), Chapter 1307, requires  
31 the district to follow the joint planning requirements  
32 under Chapter 36, Water Code, rather than the  
33 requirements of Sections 4.08(a)-(c) of that chapter  
34 if the Central Carrizo-Wilcox Coordinating Council is

1 not created. In addition, as noted in Revisor's Note  
2 (1) to Section 8866.052, Section 6.01(d), Chapter  
3 1307, provides that to the extent of any conflicts,  
4 Chapter 1307 prevails over Chapter 966. The  
5 provisions of Chapters 966 and 1307 described above,  
6 taken together, indicate a legislative intent that the  
7 district follow the joint planning requirements of  
8 Chapter 36, Water Code. Accordingly, the revised law  
9 also omits Section 3.1508, Chapter 966. The omitted  
10 law reads:

11 [Acts 77th Leg., R.S., Ch. 966]

12 Sec. 3.1508. (a) To provide for  
13 regional continuity, the district shall:

14 (1) participate in a regular  
15 annual coordination meeting with other  
16 groundwater districts in its designated  
17 management area and may hold coordination  
18 meetings at other times as needed;

19 (2) coordinate the collection  
20 of data with other groundwater districts in  
21 its designated management area in such a way  
22 as to achieve relative uniformity of data  
23 type and quality;

24 (3) coordinate efforts to  
25 monitor water quality with other  
26 groundwater districts in its designated  
27 management area, local governments, and  
28 state agencies;

29 (4) provide groundwater level  
30 data to other groundwater districts in its  
31 designated management area;

32 (5) investigate any groundwater  
33 and aquifer pollution with the intention of  
34 locating its source;

35 (6) notify other groundwater  
36 districts in its designated management area  
37 and all appropriate agencies of any  
38 detected groundwater pollution;

39 (7) annually provide to other  
40 groundwater districts in its designated  
41 management area an inventory of water wells  
42 and an estimate of groundwater production  
43 within the district; and

44 (8) include other groundwater  
45 districts in its designated management area  
46 on the mailing lists for district  
47 newsletters, seminars, public education  
48 events, news articles, and field days.

49 (b) The district shall prepare a  
50 comprehensive management plan as required  
51 by Section 36.1071, Water Code, covering  
52 that district's respective territory. On  
53 completion and certification of the plan as  
54 required by Section 36.1072, Water Code,  
55 the district shall forward a copy of the new  
56 or revised management plan to the other  
57 districts in its designated management  
58 area. The district shall consider the

1 management plans individually and shall  
2 compare them to other management plans in  
3 the designated management area.

4 (1) The district shall, by  
5 resolution, call for joint planning with  
6 the other districts in the designated  
7 management area to review and coordinate  
8 the management plans and accomplishments  
9 for the designated management area. In  
10 reviewing and coordinating the management  
11 plans, the boards shall consider:

12 (A) the goals of each  
13 management plan and its impact on planning  
14 throughout the management area;

15 (B) the groundwater  
16 management standards of each district  
17 describing the desired condition of the  
18 groundwater source over time as indicated  
19 by indices of quantity of water in the  
20 source, quality of water produced from the  
21 source, springflows, or subsidence of the  
22 land surface;

23 (C) the groundwater  
24 withdrawal rates adopted by each district  
25 and the effectiveness of those rates in  
26 achieving the groundwater management  
27 standard of the district;

28 (D) the effectiveness of  
29 the measures established by each management  
30 plan for conserving and protecting  
31 groundwater and preventing waste, and the  
32 effectiveness of these measures in the  
33 management area generally; and

34 (E) any other matters that  
35 the boards consider relevant to the  
36 protection and conservation of groundwater  
37 and the prevention of waste in the  
38 management area.

39 (2) In the management plan the  
40 district may establish and coordinate with  
41 the other districts within the designated  
42 management area an annual total groundwater  
43 withdrawal limit and equitable allocation  
44 as determined from an evaluation of the  
45 overall scientific data of the groundwater  
46 resources in the region, including the  
47 Texas Water Development Board's groundwater  
48 availability model. The determination of  
49 sustainable groundwater withdrawal shall be  
50 reviewed at least every five years.

51 (3) Each district participating  
52 in the joint planning process initiated  
53 under this subsection shall ensure that the  
54 groundwater management standards adopted by  
55 the district are adequate to protect the  
56 groundwater within the area of each  
57 district and are not incompatible with the  
58 groundwater management standards adopted by  
59 the other districts in the management area.

60 (4) If a joint meeting of the  
61 boards of directors is called, the meeting  
62 must be held in accordance with Chapter 551,  
63 Government Code. Notice of the meeting  
64 shall be given in accordance with the  
65 requirements for notice of district board  
66 of directors meetings under that chapter.  
67 In addition, notice of the meeting shall be  
68 published not later than the 30th day before  
69 the date of the scheduled meeting in a

1 newspaper with general circulation in each  
2 county in the management area.

3 (5) A district in the  
4 management area may file with good cause a  
5 petition with the Texas Natural Resource  
6 Conservation Commission requesting an  
7 inquiry if the petitioner district adopted  
8 a resolution calling for joint planning and  
9 the other district or districts refused to  
10 join in the planning process or the process  
11 failed to result in adequate planning, and  
12 the petition provides evidence that:

13 (A) another district in  
14 the management area has failed to adopt  
15 rules;

16 (B) the groundwater in the  
17 management area is not adequately protected  
18 by the rules adopted by another district; or

19 (C) the groundwater in the  
20 management area is not adequately protected  
21 due to the failure of another district to  
22 enforce substantial compliance with its  
23 rules.

24 (6) The district may contract  
25 to jointly conduct studies or research, or  
26 to construct projects, under terms and  
27 conditions that the districts consider  
28 beneficial with districts located within  
29 the same management area or in adjacent  
30 management areas. These joint efforts may  
31 include studies of groundwater availability  
32 and quality, aquifer modeling, and the  
33 interaction of groundwater and surface  
34 water; educational programs; the purchase  
35 and sharing of equipment; and the  
36 implementation of projects to make  
37 groundwater available, including aquifer  
38 recharge, brush control, weather  
39 modification, desalination,  
40 regionalization, and treatment or  
41 conveyance facilities. The districts may  
42 contract under their existing  
43 authorizations including those of Chapter  
44 791, Government Code, if their contracting  
45 authority is not limited by Sections  
46 791.011(c)(2) and (d)(3) and Section  
47 791.014, Government Code.

48 (c) The district shall determine  
49 biennially, using the overall available  
50 scientific data of groundwater resources in  
51 the Central Carrizo-Wilcox area, whether  
52 pumping within the district or an adjacent  
53 district is unreasonably affecting  
54 groundwater wells. The district, in  
55 agreement with other districts within the  
56 designated management area, may adopt  
57 mitigation measures in response to such  
58 unreasonable adverse effects only if the  
59 measures are based on a scientific  
60 determination made.

61 (d) The district may assist in the  
62 mediation between landowners regarding the  
63 mitigation of the loss of existing  
64 groundwater supply of exempt domestic and  
65 livestock users due to the groundwater  
66 pumping of others in adjoining districts.

67 [Acts 77th Leg., R.S., Ch. 1307]

68 Sec. 4.08. (a) To provide for

1 regional continuity, the district shall  
2 participate in a regular annual  
3 coordination meeting with any groundwater  
4 districts that are created and/or existing  
5 in Bastrop, Lee, Robertson, Brazos, Milam,  
6 Burleson, Leon, Madison, and/or Freestone  
7 counties, and may hold coordination  
8 meetings at other times as needed.

9 (b) Prior to the first annual  
10 regional coordination meeting held under  
11 Subsection (a), the district's board of  
12 directors shall vote whether to create and  
13 be a member of the Central Carrizo-Wilcox  
14 Coordinating Council under Article 5 of  
15 this Act.

16 (c) At the first annual regional  
17 coordination meeting held under Subsection  
18 (a), if all of the groundwater districts  
19 created and/or existing in Bastrop, Lee,  
20 Robertson, Brazos, Milam, Burleson, Leon,  
21 Madison, and/or Freestone counties  
22 unanimously vote to create and be members of  
23 the Central Carrizo-Wilcox Coordinating  
24 Council, then the district shall be a member  
25 of the Central Carrizo-Wilcox Coordinating  
26 Council under Article 5.

27 (d) If the Central Carrizo-Wilcox  
28 Coordinating Council is not created at the  
29 first annual regional coordination meeting  
30 held under Subsection (a), then the  
31 district shall follow the joint planning in  
32 management area requirements under Chapter  
33 36, Water Code.

34 (2) Section 4.09, Chapter 1307, Acts of the 77th  
35 Legislature, Regular Session, 2001, governs district  
36 management plans. Section 4.09(a) of that chapter  
37 requires the district to develop or contract to  
38 develop a management plan under Section 36.1071, Water  
39 Code. Section 4.09(b) of that chapter requires the  
40 district to submit the management plan to the Central  
41 Carrizo-Wilcox Coordinating Council to be included in  
42 the management plan developed by the council if the  
43 council is created. The revised law omits Section  
44 4.09(a), Chapter 1307, because Section 36.1071, Water  
45 Code, applies to the district under Section 8866.101  
46 of this chapter and Section 36.001(1), Water Code,  
47 without a specific reference to that provision in the  
48 revised law. The revised law omits Section 4.09(b),  
49 Chapter 1307, because the Central Carrizo-Wilcox  
50 Coordinating Council has not been created and the  
51 authority to create the council has expired (see

1 Revisor's Note (1) at the end of this subchapter). The  
2 omitted law reads:

3 Sec. 4.09. (a) The district shall  
4 develop or contract to develop its own  
5 management plan under Section 36.1071,  
6 Water Code.

7 (b) The district shall submit its  
8 management plan under Subsection (a) to the  
9 Central Carrizo-Wilcox Coordinating  
10 Council to be included in the management  
11 plan developed by the Central  
12 Carrizo-Wilcox Coordinating Council under  
13 Section 5.06 of this Act, if the Central  
14 Carrizo-Wilcox Coordinating Council is  
15 created at the first annual regional  
16 coordination meeting.

17 [Sections 8866.104-8866.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Revised Law

20 Sec. 8866.151. FEES. (a) The board by rule may impose a  
21 reasonable fee on each well that is not exempt from regulation by  
22 the district and for which a permit is issued by the district. The  
23 fee may be based on:

24 (1) the size of column pipe used by the well; or

25 (2) the actual, authorized, or anticipated amount of  
26 water to be withdrawn from the well.

27 (b) Fees may not exceed:

28 (1) 25 cents per acre-foot for water used for  
29 irrigating agricultural crops; or

30 (2) 17 cents per thousand gallons for water used for  
31 any other purpose.

32 (c) In addition to the fee authorized under Subsection (a),  
33 the district may impose a reasonable fee or surcharge for an export  
34 fee using one of the following methods:

35 (1) a fee negotiated between the district and the  
36 transporter; or

37 (2) a combined production and export fee not to exceed  
38 17 cents per thousand gallons of water used.

39 (d) Fees authorized by this section may be:

40 (1) assessed annually; and

41 (2) used to pay the cost of operating the district.

1 (Acts 77th Leg., R.S., Ch. 966, Secs. 3.1506(a), (c); Acts 77th  
2 Leg., R.S., Ch. 1307, Sec. 4.06.)

3 Source Law

4 [Acts 77th Leg., R.S., Ch. 966]

5 Sec 3.1506. (a) The board of directors of the  
6 district by rule may impose reasonable fees on each  
7 well for which a permit is issued by the district and  
8 which is not exempt from regulation by the district. A  
9 fee may be based on the size of column pipe used by the  
10 well or on the actual, authorized, or anticipated  
11 amount of water to be withdrawn from the well.

12 (c) In addition to the fee authorized under  
13 Subsection (b) of this section, the district may  
14 impose a reasonable fee or surcharge for an export fee  
15 using one of the following methods:

16 (1) a fee negotiated between the district  
17 and the transporter; or

18 (2) a combined production and export fee  
19 not to exceed 17 cents per thousand gallons for water  
20 used.

21 [Acts 77th Leg., R.S., Ch. 1307]

22 Sec 4.06. (a) The board of directors of the  
23 district by rule may impose reasonable fees on each  
24 well for which a permit is issued by the district and  
25 which is not exempt from regulation by the district. A  
26 fee may be based on the size of column pipe used by the  
27 well or on the actual, authorized, or anticipated  
28 amount of water to be withdrawn from the well.

29 (b) Fees may not exceed:

30 (1) \$0.25 dollar per acre-foot for water  
31 used for irrigating agricultural crops; or

32 (2) 17 cents per thousand gallons for  
33 water used for any other purpose.

34 (c) In addition to the fee authorized under  
35 Subsection (b) of this section, the district may  
36 impose a reasonable fee or surcharge for an export fee  
37 using one of the following methods:

38 (1) a fee negotiated between the district  
39 and the transporter; or

40 (2) a combined production and export fee  
41 not to exceed 17 cents per thousand gallons of water  
42 used.

43 (d) Fees authorized by this section may be  
44 assessed annually and may be used to fund the cost of  
45 operations of the district or the Central  
46 Carrizo-Wilcox Coordinating Council.

47 Revisor's Note

48 (1) Section 3.1506(b), Chapter 966, and Section  
49 4.06(b), Chapter 1307, Acts of the 77th Legislature,  
50 Regular Session, were enacted in 2001. Chapter 966  
51 limits the amount of the fee that the district may  
52 charge for water used for irrigating agricultural  
53 crops to one dollar per acre-foot. Chapter 1307 limits  
54 the amount of the fee for water used for that purpose

1 to \$0.25 per acre-foot. For the reasons stated in  
2 Revisor's Note (1) to Section 8866.052, the revised law  
3 gives effect to the fee limitation contained in  
4 Chapter 1307 and omits Section 3.1506(b), Chapter 966.  
5 The omitted law reads:

6 (b) Fees may not exceed:  
7 (1) one dollar per acre-foot  
8 for water used for irrigating agricultural  
9 crops; or  
10 (2) 17 cents per thousand  
11 gallons for water used for any other  
12 purpose.

13 (2) Section 3.1506(c), Chapter 966, and Section  
14 4.06(c), Chapter 1307, Acts of the 77th Legislature,  
15 Regular Session, 2001, refer to a "fee authorized  
16 under Subsection (b) of this section." Subsection (b)  
17 of those sections provides a limit on the amount of the  
18 fee, but the fee is authorized under Subsection (a) of  
19 each of those sections. The revised law therefore  
20 substitutes a cross-reference to "Subsection (a)" for  
21 the reference to "Subsection (b) of this section."

22 (3) Section 4.06(d), Chapter 1307, Acts of the  
23 77th Legislature, Regular Session, 2001, provides that  
24 district fees may be used to fund the operations of the  
25 district "or the Central Carrizo-Wilcox Coordinating  
26 Council." The revised law omits the quoted language  
27 for the reasons stated in Revisor's Note (1) at the end  
28 of Subchapter C.

29 Revised Law

30 Sec. 8866.152. LIMITATION ON AUTHORITY TO IMPOSE TAXES.  
31 The district does not have the authority granted by Sections 36.020  
32 and 36.201-36.204, Water Code, relating to taxes. (Acts 77th Leg.,  
33 R.S., Ch. 966, Sec. 3.1505(b) (part); Acts 77th Leg., R.S., Ch.  
34 1307, Sec. 4.05(b) (part).)

35 Source Law

36 [Acts 77th Leg., R.S., Ch. 966, Sec. 3.1505]  
37 (b) The district does not have the authority  
38 granted by the following provisions of Chapter 36,  
39 Water Code:

1  
2                   (2) Sections 36.020 and 36.201-36.204,  
3 relating to taxes.

4 [Acts 77th Leg., R.S., Ch. 1307, Sec. 4.05]

5                   (b) The district does not have the authority  
6 granted by the following provisions of Chapter 36,  
7 Water Code:

8                   (2) Sections 36.020 and 36.201-36.204,  
9 relating to taxes.  
10

11                                   Revisor's Note  
12                                   (End of Chapter)

13                   (1) Section 13.04, Chapter 966, and Sections  
14 6.01(a)-(c), Chapter 1307, Acts of the 77th  
15 Legislature, Regular Session, 2001, recite  
16 legislative findings regarding procedural  
17 requirements for the creation of the districts  
18 ratified or created by those acts under the  
19 constitution and other laws and rules, including  
20 proper legal notice and the filing of recommendations.  
21 The revised law omits those provisions as executed.  
22 The omitted law reads:

23                   [Acts 77th Leg., R.S., Ch. 966]

24                   Sec. 13.04. (a) The proper and  
25 legal notice of the intention to introduce  
26 this Act, setting forth the general  
27 substance of this Act, has been published as  
28 provided by law, and the notice and a copy  
29 of this Act have been furnished to all  
30 persons, agencies, officials, or entities  
31 to which they are required to be furnished  
32 by the constitution and other laws of this  
33 state, including the governor, who has  
34 submitted the notice and Act to the Texas  
35 Natural Resource Conservation Commission.

36                   (b) The Texas Natural Resource  
37 Conservation Commission has filed its  
38 recommendations relating to this Act with  
39 the governor, lieutenant governor, and  
40 speaker of the house of representatives  
41 within the required time.

42                   (c) All requirements of the  
43 constitution and laws of the state and the  
44 rules and procedures of the legislature  
45 with respect to the notice, introduction,  
46 and passage of this Act are fulfilled and  
47 accomplished.

48                   [Acts 77th Leg., R.S., Ch. 1307]

49                   Sec. 6.01. (a) The proper and legal  
50 notice of the intention to introduce this  
51 Act, setting forth the general substance of  
52 this Act, has been published as provided by  
53 law, and the notice and a copy of this Act  
54 have been furnished to all persons,  
55 agencies, officials, or entities to which

1 they are required to be furnished by the  
2 constitution and other laws of this state,  
3 including the governor, who has submitted  
4 the notice and Act to the Texas Natural  
5 Resource Conservation Commission.

6 (b) The Texas Natural Resource  
7 Conservation Commission has filed its  
8 recommendations relating to this Act with  
9 the governor, the lieutenant governor, and  
10 the speaker of the house of representatives  
11 within the required time.

12 (c) All requirements of the  
13 constitution and laws of this state and the  
14 rules and procedures of the legislature  
15 with respect to the notice, introduction,  
16 and passage of this Act are fulfilled and  
17 accomplished.

18 (2) Section 13.05, Chapter 966, Acts of the 77th  
19 Legislature, Regular Session, 2001, provides that the  
20 act is severable. The revised law omits that provision  
21 because it substantively duplicates Section 311.032,  
22 Government Code (Code Construction Act), which  
23 provides that a provision of a statute is severable  
24 from each other provision of the statute that can be  
25 given effect. The omitted law reads:

26 Sec. 13.05. If any provision of this  
27 Act or its application to any person or  
28 circumstance is held invalid, the  
29 invalidity does not affect other provisions  
30 or applications of this Act that can be  
31 given effect without the invalid provision  
32 or application, and to this end the  
33 provisions of this Act are declared to be  
34 severable.

35 CHAPTER 8867. ROLLING PLAINS GROUNDWATER CONSERVATION DISTRICT

36 SUBCHAPTER A. GENERAL PROVISIONS

37 Sec. 8867.001. DEFINITIONS . . . . . 1223  
38 Sec. 8867.002. NATURE OF DISTRICT . . . . . 1223  
39 Sec. 8867.003. FINDINGS OF PUBLIC USE AND BENEFIT . . . . . 1224  
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41 [Sections 8867.005-8867.050 reserved for expansion]

42 SUBCHAPTER B. BOARD OF DIRECTORS

43 Sec. 8867.051. COMPOSITION OF BOARD; TERMS . . . . . 1225  
44 Sec. 8867.052. APPOINTMENT OF DIRECTORS IN GENERAL . . . . . 1227  
45 Sec. 8867.053. APPOINTMENT OF DIRECTORS BY ADDITIONAL  
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2 Sec. 8867.056. COMPENSATION . . . . . 1229  
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4 [Sections 8867.058-8867.100 reserved for expansion]  
5 SUBCHAPTER C. POWERS AND DUTIES  
6 Sec. 8867.101. GROUNDWATER CONSERVATION DISTRICT  
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8 Sec. 8867.102. LIMITATION ON RULEMAKING POWER NOT  
9 APPLICABLE . . . . . 1232  
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11 CHAPTER 8867. ROLLING PLAINS GROUNDWATER CONSERVATION DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Revised Law

14 Sec. 8867.001. DEFINITIONS. In this chapter:

- 15 (1) "Board" means the district's board of directors.
- 16 (2) "Director" means a board member.
- 17 (3) "District" means the Rolling Plains Groundwater  
18 Conservation District. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 2;  
19 New.)

20 Source Law

21 Sec. 2. In this Act, "district" means the  
22 Rolling Plains Groundwater Conservation District.

23 Revisor's Note

24 The definitions of "board" and "director" are  
25 added to the revised law for drafting convenience and  
26 to eliminate frequent, unnecessary repetition of the  
27 substance of the definitions.

28 Revised Law

29 Sec. 8867.002. NATURE OF DISTRICT. The district is created  
30 under and essential to accomplish the purposes of Section 59,  
31 Article XVI, Texas Constitution. (Acts 73rd Leg., R.S., Ch. 1028,  
32 Sec. 1(b).)

33 Source Law

34 (b) The district is created under and is  
35 essential to accomplish the purposes of Section 59,  
36 Article XVI, Texas Constitution.

1 Revisor's Note

2 Section 1(a), Chapter 1028, Acts of the 73rd  
3 Legislature, Regular Session, 1993, provides that the  
4 district is a governmental agency and body politic and  
5 corporate. The revised law omits that provision  
6 because it duplicates a portion of Section 59(b),  
7 Article XVI, Texas Constitution, which provides that a  
8 conservation and reclamation district is a  
9 governmental agency and body politic and corporate.  
10 The omitted law reads:

11 Sec. 1. (a) The Rolling Plains  
12 Groundwater Conservation District is a  
13 governmental agency and a body politic and  
14 corporate.

15 Revised Law

16 Sec. 8867.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
17 district is created to serve a public use and benefit.

18 (b) All land and other property included in the district  
19 will benefit from the works and projects accomplished by the  
20 district under the powers conferred by Section 59, Article XVI,  
21 Texas Constitution. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 4.)

22 Source Law

23 Sec. 4. All of the land and other property  
24 included within the boundaries of the district will be  
25 benefited by the works and projects that are to be  
26 accomplished by the district under powers conferred by  
27 Article XVI, Section 59, of the Texas Constitution.  
28 The district is created to serve a public use and  
29 benefit.

30 Revised Law

31 Sec. 8867.004. DISTRICT TERRITORY. The district's  
32 boundaries are coextensive with the boundaries of Haskell County,  
33 Knox County, and Baylor County, unless the district's territory has  
34 been modified under:

- 35 (1) Subchapter J or K, Chapter 36, Water Code; or  
36 (2) other law. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 3;  
37 New.)

38 Source Law

39 Sec. 3. The boundaries of the district are

1 coextensive with the boundaries of Haskell County,  
2 Knox County, and Baylor County, Texas.

3 Revisor's Note

4 Section 3, Chapter 1028, Acts of the 73rd  
5 Legislature, Regular Session, 1993, contains a  
6 description of the territory of the district. That  
7 description may not be accurate on the effective date  
8 of the revised law or at the time of a later reading  
9 because the district's boundaries are subject to  
10 change. For the reader's convenience, the revised law  
11 adds references to the authority to change the  
12 district's territory under Subchapter J or K, Chapter  
13 36, Water Code, applicable to groundwater conservation  
14 districts, and to the general authority of the  
15 legislature to enact other laws under which the  
16 district's territory may change.

17 Revisor's Note  
18 (End of Subchapter)

19 Section 5(a), Chapter 1028, Acts of the 73rd  
20 Legislature, Regular Session, 1993, provides that the  
21 act prevails over general law in case of a conflict or  
22 other inconsistency. The revised law omits the  
23 provision because it substantively duplicates Section  
24 311.026, Government Code (Code Construction Act). The  
25 omitted law reads:

26 (a) . . . This Act prevails over any  
27 provision of general law that is in conflict  
28 or inconsistent with this Act.

29 [Sections 8867.005-8867.050 reserved for expansion]

30 SUBCHAPTER B. BOARD OF DIRECTORS

31 Revised Law

32 Sec. 8867.051. COMPOSITION OF BOARD; TERMS. (a) The  
33 district is governed by a board of not fewer than 5 or more than 16  
34 directors.

35 (b) Directors serve staggered four-year terms. (Acts 73rd  
36 Leg., R.S., Ch. 1028, Secs. 6(a), 8(c).)



1 director serves until a successor has qualified. The  
2 revised law omits that provision because it duplicates  
3 Section 17, Article XVI, Texas Constitution, which  
4 provides that an officer in this state continues to  
5 perform the officer's official duties until a  
6 successor has qualified. The omitted law reads:

7 (e) A director serves until the  
8 director's successor has qualified.

9 Revised Law

10 Sec. 8867.052. APPOINTMENT OF DIRECTORS IN GENERAL. The  
11 commissioners court of each county in the district shall appoint an  
12 equal number of directors. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 7.)

13 Source Law

14 Sec. 7. An equal number of directors shall be  
15 appointed by the commissioners court of each county in  
16 the district.

17 Revised Law

18 Sec. 8867.053. APPOINTMENT OF DIRECTORS BY ADDITIONAL  
19 COUNTIES. (a) When a county is added to the district, the board  
20 shall change the number of directors so that an equal number of  
21 directors are appointed by the commissioners court of each county  
22 in the district. The terms of the directors then serving expire on  
23 a date set by the board, not later than the 90th day after the date  
24 the county is added to the district, and the directors continue to  
25 serve only until the new directors have been appointed.

26 (b) The board shall send to the commissioners court of each  
27 county in the district notice of the number of directors the county  
28 may appoint.

29 (c) After receiving the notice from the board, the  
30 commissioners courts of all the counties in the district shall  
31 confer to determine the number of new directors from each county who  
32 will serve four-year terms and the number of new directors from each  
33 county who will serve two-year terms. The commissioners courts  
34 shall provide that, as nearly as possible, half of the new  
35 directors, in total and from each county, serve four-year terms and  
36 the remaining new directors serve two-year terms.

1 (d) The commissioners court of each county shall appoint new  
2 directors before the date set by the board in Subsection (a). A  
3 commissioners court may reappoint a current director.

4 (e) The new directors from each county shall draw lots to  
5 determine which directors serve four-year terms and which directors  
6 serve two-year terms in accordance with Subsection (c). (Acts 73rd  
7 Leg., R.S., Ch. 1028, Sec. 7A.)

8 Source Law

9 Sec. 7A. (a) When a county is added to the  
10 district, the board shall change the number of  
11 directors so that an equal number of directors are  
12 appointed by the commissioners court of each county in  
13 the district. The terms of the directors then serving  
14 expire on a date set by the board, not later than the  
15 90th day after the date the county is added to the  
16 district, and the directors continue to serve only  
17 until the new directors have been appointed.

18 (b) The board shall send to the commissioners  
19 court of each county in the district notice of the  
20 number of directors the county may appoint.

21 (c) After receiving the notice from the board,  
22 the commissioners courts of all the counties in the  
23 district shall confer to determine the number of new  
24 directors from each county who will serve four-year  
25 terms and the number of new directors from each county  
26 who will serve two-year terms. The commissioners  
27 courts shall provide that, as nearly as possible, half  
28 of the new directors, in total and from each county,  
29 serve four-year terms and the remaining new directors  
30 serve two-year terms.

31 (d) The commissioners court of each county shall  
32 appoint new directors before the date set by the board  
33 in Subsection (a) of this section. A commissioners  
34 court may reappoint a current director.

35 (e) The new directors from each county shall  
36 draw lots to determine which directors serve four-year  
37 terms and which directors serve two-year terms in  
38 accordance with Subsection (c) of this section.

39 Revised Law

40 Sec. 8867.054. ELIGIBILITY. To be eligible to serve as  
41 director, a person must be:

42 (1) at least 21 years of age; and

43 (2) a registered voter in the county from which the  
44 person is appointed. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 6(c).)

45 Source Law

46 (c) To be eligible to serve as director, a  
47 person must be 21 years of age and a registered voter  
48 in the county from which the person is appointed.

49 Revisor's Note

50 Section 6(c), Chapter 1028, Acts of the 73rd

1 Legislature, Regular Session, 1993, states that a  
2 director must be "21 years of age." The revised law  
3 inserts "at least" before the quoted language to  
4 reflect the clear legislative intent that a director  
5 be 21 years of age or older to serve.

6 Revised Law

7 Sec. 8867.055. BOARD VACANCY. If a vacancy occurs in the  
8 office of director, the commissioners court of the county from  
9 which the person vacating the position was appointed shall appoint  
10 a director for the unexpired term. (Acts 73rd Leg., R.S., Ch. 1028,  
11 Sec. 6(b).)

12 Source Law

13 (b) A vacancy in the office of director shall be  
14 filled for the remainder of the unexpired term by  
15 appointment of the county commissioners of the county  
16 from which the person vacating the position was  
17 appointed.

18 Revised Law

19 Sec. 8867.056. COMPENSATION. (a) A director is not  
20 entitled to receive fees of office under Section 36.060, Water  
21 Code, if the director holds another office that is a civil office of  
22 emolument for purposes of Section 40, Article XVI, Texas  
23 Constitution.

24 (b) Except as provided by this section, a director may  
25 receive reimbursement of actual expenses as provided by Section  
26 36.060(b), Water Code.

27 (c) The board by rule, bylaw, or resolution may limit the  
28 amount of fees of office or the amount of reimbursement for actual  
29 expenses a director is entitled to receive.

30 (d) This section prevails over any provision of general or  
31 special law that is in conflict or inconsistent with this section,  
32 including Section 36.060(d), Water Code. (Acts 73rd Leg., R.S., Ch.  
33 1028, Sec. 6(d).)

34 Source Law

35 (d) A director is not entitled to receive fees  
36 of office under Section 36.060, Water Code, if the  
37 director holds another office that is a civil office of  
38 emolument for purposes of Section 40, Article XVI,

1 Texas Constitution. Except as provided by this  
2 subsection, a director may receive reimbursement of  
3 actual expenses as provided by Section 36.060(b),  
4 Water Code. The board of directors of the district by  
5 rule, bylaw, or resolution may limit the amount of fees  
6 of office or the amount of reimbursement for actual  
7 expenses a director is entitled to receive. This  
8 subsection prevails over any provision of general or  
9 special law that is in conflict or inconsistent with  
10 this subsection, including Section 36.060(d), Water  
11 Code.

12 Revised Law

13 Sec. 8867.057. PRESIDENT. (a) The board shall elect a  
14 president from among the directors every other year following the  
15 appointment of directors under Section 8867.052.

16 (b) The president may vote and may cast an additional vote  
17 to break a tie. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 9.)

18 Source Law

19 Sec. 9. (a) The board of directors shall elect  
20 one of its members as board chairman every other year  
21 following the appointment of directors under Section 7  
22 of this Act.

23 (b) The chairman may vote and may cast an  
24 additional vote to break a tie.

25 Revisor's Note

26 Section 9, Chapter 1028, Acts of the 73rd  
27 Legislature, Regular Session, 1993, refers to the  
28 "chairman" of the board. The revised law substitutes  
29 "president" for "chairman" to avoid the use of a  
30 gender-based term and because that is the term used by  
31 Chapter 36, Water Code. In the context in which the  
32 terms are used, the terms have the same meaning.

33 Revisor's Note

34 (End of Subchapter)

35 (1) Sections 8(a) and (b), Chapter 1028, Acts of  
36 the 73rd Legislature, Regular Session, 1993, provide  
37 for the terms of office of "temporary" and "initial"  
38 directors of the district. Because the terms of the  
39 temporary and initial directors have expired, the  
40 revised law omits Sections 8(a) and (b) as executed.

41 The omitted law reads:

42 Sec. 8. (a) Temporary directors  
43 serve until initial directors are appointed  
44 under Section 7.

1 (b) Initial directors serve until  
2 permanent directors are appointed under  
3 Section 7.

4 (2) Section 10, Chapter 1028, Acts of the 73rd  
5 Legislature, Regular Session, 1993, names the  
6 temporary directors and provides for filling the  
7 vacancies on the temporary board. Because the  
8 temporary directors were appointed and the terms of  
9 the temporary directors have expired, the revised law  
10 omits those provisions as executed. The omitted law  
11 reads:

12 Sec. 10. (a) The temporary board of  
13 directors is composed of:

- 14 (1) David Perdue
- 15 (2) Leonard Phipps
- 16 (3) Bobby Roberson
- 17 (4) Philip Homer
- 18 (5) Johnny Birkenfeld
- 19 (6) Beverly Roberson
- 20 (7) Billy Wayne Hester
- 21 (8) Ronnie Chapman
- 22 (9) J. R. Perry
- 23 (10) C. A. Turnbow

24 (b) If a temporary director fails to  
25 qualify for office, the temporary directors  
26 who have qualified shall appoint a person to  
27 fill the vacancy.

28 (3) Section 11, Chapter 1028, Acts of the 73rd  
29 Legislature, Regular Session, 1993, provides  
30 procedures for holding an election to confirm the  
31 district's creation. The revised law omits that  
32 provision as executed because the district has been  
33 confirmed. The omitted law reads:

34 Sec. 11. (a) The temporary board of  
35 directors shall call and hold an election in  
36 each county to confirm establishment of the  
37 district. The elections shall be held on  
38 the same day.

39 (b) The district is created if the  
40 majority of the votes cast in the election  
41 in each county favors the creation of the  
42 district.

43 (c) The district is defeated if a  
44 majority of the votes cast in the election  
45 in either county opposes the creation of the  
46 district.

47 (d) Section 41.001(a), Election  
48 Code, does not apply to a confirmation  
49 election held as provided by this section.

50 (e) Except as provided by this  
51 section, a confirmation election must be  
52 conducted as provided by Sections  
53 52.059(b)-(g), Water Code, and by the

1 Election Code.

2 [Sections 8867.058-8867.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Revised Law

5 Sec. 8867.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
6 AND DUTIES. Except as provided by Sections 8867.102 and  
7 8867.103(b), the district has the rights, powers, privileges,  
8 functions, and duties provided by the general law of this state,  
9 including Chapter 36, Water Code, applicable to groundwater  
10 conservation districts created under Section 59, Article XVI, Texas  
11 Constitution. (Acts 73rd Leg., R.S., Ch. 1028, Secs. 5(a) (part),  
12 (b) (part), (c) (part).)

13 Source Law

14 Sec. 5. (a) The district has all of the rights,  
15 powers, privileges, authority, functions, and duties  
16 provided by the general law of this state, including  
17 Chapter 36, Water Code, applicable to groundwater  
18 conservation districts created under Section 59,  
19 Article XVI, Texas Constitution. . . .

20 (b) Notwithstanding Subsection (a) of this  
21 section, [Section 36.121, Water Code, does not apply  
22 to the district.]

23 (c) Notwithstanding Subsection (a) of this  
24 section, [Section 36.205(e), Water Code, does not  
25 apply to the district.] . . .

26 Revisor's Note

27 Section 5(a), Chapter 1028, Acts of the 73rd  
28 Legislature, Regular Session, 1993, refers to the  
29 "rights, powers, privileges, [and] authority" of the  
30 district. The revised law omits the reference to  
31 "authority" because, in context, "authority" is  
32 included in the meaning of "rights, powers, [and]  
33 privileges."

34 Revised Law

35 Sec. 8867.102. LIMITATION ON RULEMAKING POWER NOT  
36 APPLICABLE. Section 36.121, Water Code, does not apply to the  
37 district. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 5(b) (part).)

38 Source Law

39 (b) . . . Section 36.121, Water Code, does not  
40 apply to the district.

1 Revised Law

2 Sec. 8867.103. FEES. (a) The district may assess fees  
3 under Section 36.122(e) or 36.205(c), Water Code, in an annual  
4 amount not to exceed:

5 (1) \$1 per acre-foot of water used for agricultural  
6 use; or

7 (2) 17 cents per thousand gallons of water used for any  
8 other purpose.

9 (b) Section 36.205(e), Water Code, does not apply to the  
10 district. (Acts 73rd Leg., R.S., Ch. 1028, Sec. 5(c) (part).)

11 Source Law

12 (c) . . . Section 36.205(e), Water Code, does  
13 not apply to the district. The district may assess  
14 fees under Section 36.205(c) or 36.122(e), Water Code,  
15 in an annual amount not to exceed:

16 (1) \$1 per acre-foot of water used for  
17 agricultural use; or

18 (2) 17 cents per thousand gallons of water  
19 used for any other purpose.

20 Revisor's Note  
21 (End of Chapter)

22 (1) Section 12, Chapter 1028, Acts of the 73rd  
23 Legislature, Regular Session, 1993, recites  
24 legislative findings regarding procedural  
25 requirements for legislation affecting the district  
26 under the constitution and other laws and rules,  
27 including proper legal notice and the filing of  
28 recommendations. The revised law omits those  
29 provisions as executed. The omitted law reads:

30 Sec. 12. (a) The proper and legal  
31 notice of the intention to introduce this  
32 Act, setting forth the general substance of  
33 this Act, has been published as provided by  
34 law, and the notice and a copy of this Act  
35 have been furnished to all persons,  
36 agencies, officials, or entities to which  
37 they are required to be furnished by the  
38 constitution and other laws of this state,  
39 including the governor, who has submitted  
40 the notice and Act to the Texas Water  
41 Commission.

42 (b) The Texas Water Commission has  
43 filed its recommendations relating to this  
44 Act with the governor, lieutenant governor,  
45 and speaker of the house of representatives  
46 within the required time.

47 (c) All requirements of the

1 constitution and laws of this state and the  
2 rules and procedures of the legislature  
3 with respect to the notice, introduction,  
4 and passage of this Act are fulfilled and  
5 accomplished.

6 (2) Section 7, Chapter 38, Acts of the 77th  
7 Legislature, Regular Session, 2001, provides  
8 transition procedures for changing the number of  
9 directors serving on the board. The revised law omits  
10 the provision as executed. The omitted law reads:

11 Sec. 7. Not later than the 90th day  
12 after the effective date of this Act, the  
13 board shall change the number of directors  
14 as provided by Section 7A, Chapter 1028,  
15 Acts of the 73rd Legislature, Regular  
16 Session, 1993, as added by this Act.

17 CHAPTER 8868. SOUTHEAST TEXAS GROUNDWATER CONSERVATION DISTRICT

18 SUBCHAPTER A. GENERAL PROVISIONS

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21 Sec. 8868.003. FINDINGS OF PUBLIC USE AND BENEFIT . . . . . 1236  
22 Sec. 8868.004. DISTRICT TERRITORY . . . . . 1237  
23 Sec. 8868.005. ADDITION OF ADJACENT COUNTY TO DISTRICT . . . 1238  
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25 [Sections 8868.007-8868.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

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36 [Sections 8868.058-8868.100 reserved for expansion]

37 SUBCHAPTER C. POWERS AND DUTIES

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11 CHAPTER 8868. SOUTHEAST TEXAS GROUNDWATER CONSERVATION DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Revised Law

14 Sec. 8868.001. DEFINITIONS. In this chapter:

- 15 (1) "Board" means the district's board of directors.
- 16 (2) "Director" means a board member.
- 17 (3) "District" means the Southeast Texas Groundwater

18 Conservation District. (Acts 78th Leg., R.S., Ch. 384, Sec. 1;  
 19 New.)

20 Source Law

21 Sec. 1. In this Act:

- 22 (1) "Board" means the board of directors
- 23 of the district.
- 24 (2) "District" means the Southeast Texas
- 25 Groundwater Conservation District.

26 Revisor's Note

27 The definition of "director" is added to the  
 28 revised law for drafting convenience and to eliminate  
 29 frequent, unnecessary repetition of the substance of  
 30 the definition.

31 Revised Law

32 Sec. 8868.002. NATURE OF DISTRICT. (a) The district is a  
 33 groundwater conservation district created under and essential to  
 34 accomplish the purposes of Section 59, Article XVI, Texas  
 35 Constitution.

36 (b) The district is a political subdivision of this state.

1 (Acts 78th Leg., R.S., Ch. 384, Secs. 2, 3.)

2 Source Law

3 Sec. 2. (a) A groundwater conservation  
4 district, to be known as the Southeast Texas  
5 Groundwater Conservation District, is created in  
6 Jasper and Newton counties, subject to approval at a  
7 confirmation election under Section 13 of this Act.

8 (b) The district is a governmental agency and a  
9 political subdivision of this state.

10 Sec. 3. The district is created under and is  
11 essential to accomplish the purposes of Section 59,  
12 Article XVI, Texas Constitution.

13 Revisor's Note

14 (1) Section 2(a), Chapter 384, Acts of the 78th  
15 Legislature, Regular Session, 2003, states that the  
16 district is created "in Jasper and Newton counties,  
17 subject to approval at a confirmation election under  
18 Section 13 of this Act." In 2004, Jasper and Newton  
19 County voters confirmed the creation of the district.  
20 Hardin and Tyler Counties were added to the district  
21 under the petition procedure provided by Section 14 of  
22 the act (revised in this chapter as Section 8868.005).  
23 In 2005, Hardin and Tyler County voters confirmed the  
24 addition of those counties to the district. The  
25 revised law therefore omits the reference to Jasper  
26 and Newton Counties because that limited reference  
27 would be misleading as a result of the district's  
28 expansion. In addition, the revised law omits the  
29 reference to the confirmation election as executed.

30 (2) Section 2(b), Chapter 384, Acts of the 78th  
31 Legislature, Regular Session, 2003, provides that the  
32 district is "a governmental agency." The revised law  
33 omits the quoted language because it duplicates a  
34 portion of Section 59(b), Article XVI, Texas  
35 Constitution, which provides that a district created  
36 under Section 59(b) is a governmental agency.

37 Revised Law

38 Sec. 8868.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
39 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 works and projects accomplished by the  
3 district under the powers conferred by Section 59, Article XVI,  
4 Texas Constitution. (Acts 78th Leg., R.S., Ch. 384, Sec. 4.)

5 Source Law

6 Sec. 4. (a) The district is created to serve a  
7 public use and benefit.

8 (b) All of the land and other property included  
9 within the boundaries of the district will be  
10 benefited by the works and projects that are to be  
11 accomplished by the district under powers conferred by  
12 Section 59, Article XVI, Texas Constitution.

13 Revised Law

14 Sec. 8868.004. DISTRICT TERRITORY. The district's  
15 boundaries are coextensive with the boundaries of Jasper, Newton,  
16 Hardin, and Tyler Counties, Texas, unless the district's territory  
17 has been modified under:

- 18 (1) Section 8868.005;  
19 (2) Subchapter J or K, Chapter 36, Water Code; or  
20 (3) other law. (Acts 78th Leg., R.S., Ch. 384, Sec. 5;  
21 New.)

22 Source Law

23 Sec. 5. The boundaries of the district are  
24 coextensive with the boundaries of Jasper and Newton  
25 counties, Texas.

26 Revisor's Note

27 Section 5, Chapter 384, Acts of the 78th  
28 Legislature, Regular Session, 2003, contains a  
29 description of the territory of the district. Because  
30 the district's boundaries have changed since the  
31 enactment of the statutory language (see Revisor's  
32 Note (1) to Section 8868.002), the revised law  
33 includes a reference to Hardin and Tyler Counties,  
34 which were added to the district in 2005. In addition,  
35 because the district's boundaries are subject to  
36 further change, the revised law contains a reference  
37 to the authority to change the district's territory  
38 under Section 14, Chapter 384, Acts of the 78th

1 Legislature, Regular Session, 2003 (revised in this  
2 chapter as Section 8868.005), and under Subchapter J  
3 or K, Chapter 36, Water Code, applicable to  
4 groundwater conservation districts. The revised law  
5 also adds a reference to the general authority of the  
6 legislature to enact other laws under which the  
7 district's territory may change.

8 Revised Law

9 Sec. 8868.005. ADDITION OF ADJACENT COUNTY TO DISTRICT.

10 (a) An adjacent county may petition to join the district by  
11 resolution of the commissioners court of the county.

12 (b) If, after a hearing on the resolution, the board finds  
13 that the addition of the county would benefit the district and the  
14 county to be added, the board by resolution may approve the addition  
15 of the county to the district.

16 (c) The addition of a county to the district under this  
17 section is not final until ratified by a majority vote of the voters  
18 in the county to be added voting in an election held for that  
19 purpose.

20 (d) The ballot for the election shall be printed to provide  
21 for voting for or against the proposition: "The inclusion of  
22 \_\_\_\_\_ (name of county) County in the Southeast Texas  
23 Groundwater Conservation District." (Acts 78th Leg., R.S., Ch. 384,  
24 Secs. 14(a), (b), (c), (d).)

25 Source Law

26 Sec. 14. (a) An adjacent county that wishes to  
27 join the district shall petition the district by  
28 resolution of the commissioners court of the county.

29 (b) If the board finds after a hearing on the  
30 resolution that the addition of the county would  
31 benefit the district and the county to be added, the  
32 board by resolution may approve the addition of the  
33 county to the district.

34 (c) The addition of a county to the district  
35 under this section is not final until ratified by a  
36 majority vote of the qualified voters in the county to  
37 be added voting in an election held for that purpose.

38 (d) The ballot for the election shall be printed  
39 to provide for voting for or against the proposition:  
40 "The inclusion of \_\_\_\_\_ (name of county) County  
41 in the Southeast Texas Groundwater Conservation  
42 District."

1 Revisor's Note

2 (1) Section 14(c), Chapter 384, Acts of the 78th  
3 Legislature, Regular Session, 2003, refers to a  
4 majority vote of the "qualified voters." The revised  
5 law omits "qualified" as unnecessary in this context  
6 because Chapter 11, Election Code, governs eligibility  
7 to vote in an election in this state and allows only  
8 "qualified" voters who are residents of the territory  
9 covered by the election to vote in an election.

10 (2) Section 14(e), Chapter 384, Acts of the 78th  
11 Legislature, Regular Session, 2003, provides that  
12 notice of an election to add territory to the district,  
13 the holding of the election, and the qualifications of  
14 voters in the election are governed by the Election  
15 Code. The revised law omits the provision because it  
16 duplicates Section 1.002, Election Code, which  
17 provides that the Election Code applies to all  
18 elections held in this state, and Section 36.059,  
19 Water Code, applicable to the district under Section  
20 8868.101 of this chapter and Section 36.001(1), Water  
21 Code. The omitted law reads:

22 (e) The notice of the election, the  
23 manner and the time of giving the notice,  
24 the manner of holding the election, and the  
25 qualifications of the voters are governed  
26 by the Election Code.

27 Revised Law

28 Sec. 8868.006. LANDOWNERS' RIGHTS. The rights of landowners  
29 and their lessees and assigns in groundwater in the district are  
30 recognized. Nothing in this chapter may be construed to deprive or  
31 divest the landowners or their lessees and assigns of their rights,  
32 subject to district rules. (Acts 78th Leg., R.S., Ch. 384, Sec. 12.)

33 Source Law

34 Sec. 12. The rights of landowners and their  
35 lessees and assigns in groundwater in the district are  
36 recognized. Nothing in this Act shall be construed to  
37 deprive or divest the owners or their lessees and  
38 assigns of their rights, subject to district rules.



1 district is governed by a board of directors appointed under  
2 Sections 8868.052 and 8868.053.

3 (b) Directors serve three-year terms.

4 (c) A director may serve consecutive terms. (Acts 78th Leg.,  
5 R.S., Ch. 384, Secs. 9(a) (part), (b) (part), (e).)

6 Source Law

7 Sec. 9. (a) Except as provided by Section  
8 10(g) of this Act, the district is governed by a board  
9 of seven directors. Directors are appointed as  
10 provided by Section 10 of this Act. . . .

11 (b) . . . all directors serve three-year  
12 terms. . . .

13 (e) Directors may serve consecutive terms.

14 Revisor's Note

15 (1) Section 9(a), Chapter 384, Acts of the 78th  
16 Legislature, Regular Session, 2003, states that the  
17 board is governed by a board of directors "[e]xcept as  
18 provided by Section 10(g) of this Act." For the reason  
19 stated in Revisor's Note (1) at the end of this  
20 subchapter, the revised law omits Section 10(g) as  
21 unnecessary. The revised law therefore also omits the  
22 quoted language from Section 9(a) as unnecessary.

23 (2) Section 9(a), Chapter 384, Acts of the 78th  
24 Legislature, Regular Session, 2003, refers to a board  
25 of seven directors. The revised law omits the  
26 reference to "seven" because, with the addition of  
27 other counties to the district under the procedures  
28 provided by Section 14, Chapter 384, Acts of the 78th  
29 Legislature, Regular Session, 2003 (revised in this  
30 chapter as Section 8868.005), the number of directors  
31 changed as provided by another portion of Section 9(a)  
32 (revised in this chapter as Section 8868.053).

33 (3) Section 9(a), Chapter 384, Acts of the 78th  
34 Legislature, Regular Session, 2003, provides that the  
35 district is governed by directors appointed under  
36 Section 10 of the act, which provides for the  
37 appointment of directors by Jasper and Newton

1 Counties, the counties initially included in the  
2 district. Another portion of Section 9(a), revised in  
3 this chapter as Section 8868.053, provides for the  
4 appointment of additional directors by any additional  
5 counties added to the district. For the convenience of  
6 the reader, the revised law adds a cross-reference to  
7 the appointment procedure for those additional  
8 directors under Section 8868.053.

9 (4) Sections 9(b) and (c), Chapter 384, Acts of  
10 the 78th Legislature, Regular Session, 2003, provide  
11 for the terms of the initial directors. The revised law  
12 omits the provisions as executed. The omitted law  
13 reads:

14 (b) Except for the initial term, [all  
15 directors serve three-year terms]. The  
16 terms of two initial directors expire on  
17 December 31, 2006. The terms of two initial  
18 directors expire on December 31, 2005. The  
19 terms of the three remaining directors,  
20 including the term of the initial director  
21 who will serve as the joint two-county  
22 representative, expire on December 31,  
23 2004.

24 (c) In accordance with Subsection (b)  
25 of this section, the three initial  
26 directors from each county shall draw lots  
27 to determine their terms.

28 (5) Section 9(d), Chapter 384, Acts of the 78th  
29 Legislature, Regular Session, 2003, provides that a  
30 director must qualify to serve in the manner provided  
31 by Section 36.055, Water Code. The revised law omits  
32 the provision because Section 36.055, Water Code,  
33 applies to the district under Section 8868.101 of this  
34 chapter and Section 36.001(1), Water Code. The  
35 omitted law reads:

36 (d) Each director must qualify to  
37 serve as director in the manner provided by  
38 Section 36.055, Water Code.

39 Revised Law

40 Sec. 8868.052. APPOINTMENT OF DIRECTORS BY INITIAL  
41 COUNTIES. (a) The Jasper County Commissioners Court shall appoint  
42 two directors. One director shall represent rural water utilities

1 and small municipal water supply interests. The other director  
2 shall represent the large industrial groundwater supply interests  
3 of the county and large municipal utilities.

4 (b) The Newton County Commissioners Court shall appoint two  
5 directors. One director shall represent rural water utilities and  
6 small municipal water supply interests. The other director shall  
7 represent the forestry or agricultural groundwater supply  
8 interests of the county.

9 (c) The Jasper County Commissioners Court and the Newton  
10 County Commissioners Court shall jointly appoint one director to  
11 represent the forestry, agricultural, or landowner groundwater  
12 supply interests of both counties. The jointly appointed director  
13 shall serve as the board's presiding officer.

14 (d) The Newton City Council shall appoint one director.

15 (e) The Jasper City Council shall appoint one director.  
16 (Acts 78th Leg., R.S., Ch. 384, Secs. 10(a), (b), (c), (d), (e).)

17 Source Law

18 Sec. 10. (a) The Jasper County Commissioners  
19 Court shall appoint two directors. One director shall  
20 represent rural water utilities and small municipal  
21 water supply interests, one director shall represent  
22 the large industrial groundwater supply interests of  
23 the county and large municipal utilities.

24 (b) The Newton County Commissioners Court shall  
25 appoint two directors. One director shall represent  
26 rural water utilities and small municipal water supply  
27 interests, one director shall represent the forestry  
28 or agricultural groundwater supply interests of the  
29 county.

30 (c) The Jasper County Commissioners Court and  
31 the Newton County Commissioners Court shall jointly  
32 appoint one director to represent the forestry,  
33 agricultural, or landowner groundwater supply  
34 interests of both counties. The jointly appointed  
35 director shall serve as the presiding officer of the  
36 board.

37 (d) The Newton City Council shall appoint one  
38 director.

39 (e) The Jasper City Council shall appoint one  
40 director.

41 Revised Law

42 Sec. 8868.053. APPOINTMENT OF DIRECTORS BY ADDITIONAL  
43 COUNTIES. When a county is added to the district, the board may  
44 change the number of directors so that an equal number of directors  
45 are appointed from each county and one director is appointed

1 jointly by the counties. (Acts 78th Leg., R.S., Ch. 384, Sec. 9(a)  
2 (part).)

3 Source Law

4 (a) . . . When a county is added to the  
5 district, the board may change the number of directors  
6 so that an equal number of directors are appointed from  
7 each county and one director is appointed jointly by  
8 the counties.

9 Revised Law

10 Sec. 8868.054. QUALIFICATIONS; GROUNDWATER PRODUCERS. A  
11 director is not disqualified from serving because the director is  
12 an employee, manager, director, or officer of a groundwater  
13 producer that is or may be regulated by the district. (Acts 78th  
14 Leg., R.S., Ch. 384, Sec. 10(f).)

15 Source Law

16 (f) A director is not disqualified from serving  
17 because the director is an employee, manager,  
18 director, or officer of a groundwater producer that is  
19 or may be regulated by the district.

20 Revised Law

21 Sec. 8868.055. BOARD VACANCY. (a) If there is a vacancy on  
22 the board, the governing body of the entity that appointed the  
23 director who vacated the office shall appoint a director to serve  
24 the remainder of the term.

25 (b) The board shall adopt rules or bylaws to establish when  
26 a vacancy has occurred. (Acts 78th Leg., R.S., Ch. 384, Sec. 9(f).)

27 Source Law

28 (f) If there is a vacancy on the board, the  
29 governing body of the entity that appointed the  
30 director who vacated the office shall appoint a  
31 director to serve the remainder of the term. The board  
32 shall adopt rules or bylaws to establish when a vacancy  
33 has occurred.

34 Revised Law

35 Sec. 8868.056. COMPENSATION; EXPENSES. (a) A director is  
36 not entitled to receive compensation for serving as a director.

37 (b) A director may be reimbursed for actual, reasonable  
38 expenses incurred in discharging official duties. (Acts 78th Leg.,  
39 R.S., Ch. 384, Sec. 9(g).)



1 after all initial directors are appointed,  
2 a majority of the directors shall convene  
3 the organizational meeting of the district  
4 at a location in the district agreeable to a  
5 majority of the directors.

6 (b) If no location can be agreed on,  
7 the organizational meeting of the directors  
8 shall be at the Jasper County Courthouse.

9 (c) The initial directors shall take  
10 office at the organizational meeting under  
11 this section.

12 (3) Section 13, Chapter 384, Acts of the 78th  
13 Legislature, Regular Session, 2003, provides  
14 procedures for holding an election to confirm the  
15 district's creation and provides for the dissolution  
16 of the district and expiration of the act if the  
17 district is not confirmed. The revised law omits the  
18 provision as executed because the district has been  
19 confirmed. The omitted law reads:

20 Sec. 13. (a) The initial board  
21 shall hold an election on the same date in  
22 each county in the district to confirm  
23 establishment of the district.

24 (b) Except as provided by this  
25 section, a confirmation election must be  
26 conducted in the manner provided by  
27 Sections 36.017, 36.018, and 36.019, Water  
28 Code, and Section 41.001, Election Code.

29 (c) If the majority of qualified  
30 voters in a county who vote in the election  
31 vote to confirm the establishment of the  
32 district, that county is included in the  
33 district. If the majority of qualified  
34 voters in a county who vote in the election  
35 vote against confirming the establishment  
36 of the district, that county is excluded  
37 from the district.

38 (d) If the establishment of the  
39 district is not confirmed by an election  
40 held under this section before the second  
41 anniversary of the effective date of this  
42 Act, the district is dissolved and this Act  
43 expires on that second anniversary date.

44 [Sections 8868.058-8868.100 reserved for expansion]

45 SUBCHAPTER C. POWERS AND DUTIES

46 Revised Law

47 Sec. 8868.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
48 AND DUTIES. Except as provided by this chapter, the district has  
49 the rights, powers, privileges, functions, and duties provided by  
50 the general law of this state, including Chapter 36, Water Code,  
51 applicable to groundwater conservation districts created under

1 Section 59, Article XVI, Texas Constitution. (Acts 78th Leg., R.S.,  
2 Ch. 384, Sec. 6.)

3 Source Law

4 Sec. 6. Except as provided by this Act, the  
5 district has all of the rights, powers, privileges,  
6 authority, functions, and duties provided by the  
7 general law of this state, including Chapter 36, Water  
8 Code, applicable to groundwater conservation  
9 districts created under Section 59, Article XVI, Texas  
10 Constitution.

11 Revisor's Note

12 Section 6, Chapter 384, Acts of the 78th  
13 Legislature, Regular Session, 2003, refers to the  
14 "rights, powers, privileges, [and] authority" of the  
15 district. The revised law omits the reference to  
16 "authority" because, in context, "authority" is  
17 included in the meaning of "rights, powers, [and]  
18 privileges."

19 Revised Law

20 Sec. 8868.102. TRANSFER OF GROUNDWATER OUT OF DISTRICT.  
21 The district by rule may require a person to obtain a permit from  
22 the district for the transfer of groundwater out of the district  
23 consistent with Section 36.122, Water Code, and may regulate the  
24 terms on which a permit holder under those rules may conduct the  
25 transfer. (Acts 78th Leg., R.S., Ch. 384, Sec. 7(a).)

26 Source Law

27 Sec. 7. (a) The district by rule may require a  
28 person to obtain a permit from the district for the  
29 transfer of groundwater out of the district consistent  
30 with Section 36.122, Water Code, and may regulate the  
31 terms on which a permit holder under those rules may  
32 conduct the transfer.

33 Revised Law

34 Sec. 8868.103. LIMIT ON PURCHASE OF GROUNDWATER RIGHTS FOR  
35 CONSERVATION PURPOSES. The district may not purchase groundwater  
36 rights unless the purchased rights are acquired for conservation  
37 purposes and are permanently held in trust not to be produced. (Acts  
38 78th Leg., R.S., Ch. 384, Sec. 7(g) (part).)

39 Source Law

40 (g) The district may not:

1 . . .  
2 (3) purchase groundwater rights unless the  
3 purchased rights are acquired for conservation  
4 purposes and are permanently held in trust not to be  
5 produced.

6 Revised Law

7 Sec. 8868.104. WELLS EXEMPT FROM REGULATION. (a) The  
8 district may not require a permit for a well incapable of producing  
9 more than 25,000 gallons of groundwater a day.

10 (b) A well meeting the criteria established under Section  
11 36.117, Water Code, including a well used for dewatering and  
12 monitoring in the production of coal or lignite, is exempt from  
13 permit requirements, regulations, and fees imposed by the district.  
14 (Acts 78th Leg., R.S., Ch. 384, Secs. 7(b), (f).)

15 Source Law

16 (b) The district may not require a permit for a  
17 well incapable of producing more than 25,000 gallons  
18 of groundwater a day.

19 (f) A well meeting the criteria established  
20 under Section 36.117, Water Code, including a well  
21 used for dewatering and monitoring in the production  
22 of coal or lignite, is exempt from permit  
23 requirements, regulations, and fees imposed by the  
24 district.

25 Revised Law

26 Sec. 8868.105. NO EMINENT DOMAIN POWER. The district may  
27 not exercise the power of eminent domain. (Acts 78th Leg., R.S., Ch.  
28 384, Sec. 7(g) (part).)

29 Source Law

30 (g) The district may not:  
31 (1) exercise the power of eminent domain;  
32 . . . .

33 [Sections 8868.106-8868.150 reserved for expansion]

34 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

35 Revised Law

36 Sec. 8868.151. TAXES PROHIBITED. The district may not  
37 impose a tax. (Acts 78th Leg., R.S., Ch. 384, Sec. 7(c).)

38 Source Law

39 (c) The district may not impose a tax.

40 Revised Law

41 Sec. 8868.152. TAX BONDS PROHIBITED. The district may not

1 issue any bonds or other obligations that pledge revenue derived  
2 from district taxation. (Acts 78th Leg., R.S., Ch. 384, Sec. 7(g)  
3 (part).)

4 Source Law

5 (g) The district may not:

6 (2) issue any bonds or other obligations  
7 that pledge revenue derived from taxation by the  
8 district; or  
9 . . . .

10  
11 Revised Law

12 Sec. 8868.153. PERMIT FEES. (a) The district by rule may  
13 impose a reasonable fee on each well that is not exempt from  
14 regulation by the district and for which a permit is issued by the  
15 district.

16 (b) The fee must be based on the amount of water to be  
17 withdrawn from the well.

18 (c) The fee may not exceed one cent per thousand gallons of  
19 groundwater withdrawn for any purpose. (Acts 78th Leg., R.S., Ch.  
20 384, Secs. 7(d), (e).)

21 Source Law

22 (d) The district by rule may impose reasonable  
23 fees on each well:

24 (1) for which a permit is issued by the  
25 district; and

26 (2) that is not exempt from regulation by  
27 the district.

28 (e) A fee imposed under Subsection (d) of this  
29 section:

30 (1) must be based on the amount of water to  
31 be withdrawn from the well; and

32 (2) may not exceed one cent per thousand  
33 gallons of groundwater withdrawn for any purpose.

34 Revisor's Note  
35 (End of Chapter)

36 Section 15, Chapter 384, Acts of the 78th  
37 Legislature, Regular Session, 2003, recites  
38 legislative findings regarding procedural  
39 requirements for legislation affecting the district  
40 under the constitution and other laws and rules,  
41 including proper legal notice and the filing of  
42 recommendations. The revised law omits those  
43 provisions as executed. The omitted law reads:

1                   Sec. 15. (a) The legal notice of the  
2 intention to introduce this Act, setting  
3 forth the general substance of this Act, has  
4 been published as provided by law, and the  
5 notice and a copy of this Act have been  
6 furnished to all persons, agencies,  
7 officials, or entities to which they are  
8 required to be furnished under Section 59,  
9 Article XVI, Texas Constitution, and  
10 Chapter 313, Government Code.  
11                   (b) The governor has submitted the  
12 notice and Act to the Texas Commission on  
13 Environmental Quality.  
14                   (c) The Texas Commission on  
15 Environmental Quality has filed its  
16 recommendations relating to this Act with  
17 the governor, lieutenant governor, and  
18 speaker of the house of representatives  
19 within the required time.  
20                   (d) All requirements of the  
21 constitution and laws of this state and the  
22 rules and procedures of the legislature  
23 with respect to the notice, introduction,  
24 and passage of this Act are fulfilled and  
25 accomplished.

26                   CHAPTER 8869. WES-TEX GROUNDWATER CONSERVATION DISTRICT

27                                   SUBCHAPTER A. GENERAL PROVISIONS

28 Sec. 8869.001. DEFINITIONS . . . . . 1251  
29 Sec. 8869.002. NATURE OF DISTRICT . . . . . 1251  
30 Sec. 8869.003. FINDINGS OF PUBLIC USE AND BENEFIT . . . . . 1252  
31 Sec. 8869.004. DISTRICT TERRITORY . . . . . 1252

32                   [Sections 8869.005-8869.050 reserved for expansion]

33                                   SUBCHAPTER B. BOARD OF DIRECTORS

34 Sec. 8869.051. COMPOSITION OF BOARD . . . . . 1254  
35 Sec. 8869.052. ELECTION OF DIRECTORS . . . . . 1254  
36 Sec. 8869.053. TERMS . . . . . 1256  
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39                   [Sections 8869.056-8869.100 reserved for expansion]

40                                   SUBCHAPTER C. POWERS AND DUTIES

41 Sec. 8869.101. GROUNDWATER CONSERVATION DISTRICT  
42                                   POWERS AND DUTIES . . . . . 1261  
43 Sec. 8869.102. LIMITATIONS ON DISTRICT POWERS . . . . . 1261

44                   [Sections 8869.103-8869.150 reserved for expansion]

45                                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

46 Sec. 8869.151. MAINTENANCE AND OPERATION TAX . . . . . 1262

1 CHAPTER 8869. WES-TEX GROUNDWATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 8869.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the district's board of directors.

6 (2) "Director" means a board member.

7 (3) "District" means the Wes-Tex Groundwater  
8 Conservation District. (Acts 77th Leg., R.S., Ch. 1473, Sec. 2;  
9 New.)

10 Source Law

11 Sec. 2. In this Act, "district" means the  
12 Wes-Tex Groundwater Conservation District.

13 Revisor's Note

14 The definitions of "board" and "director" are  
15 added to the revised law for drafting convenience and  
16 to eliminate frequent, unnecessary repetition of the  
17 substance of the definitions.

18 Revised Law

19 Sec. 8869.002. NATURE OF DISTRICT. The district is a  
20 groundwater conservation district in Nolan County created under and  
21 essential to accomplish the purposes of Section 59, Article XVI,  
22 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1473, Secs. 1(a)  
23 (part), (b).)

24 Source Law

25 Sec. 1. (a) A groundwater conservation  
26 district, to be known as the Wes-Tex Groundwater  
27 Conservation District, is created in Nolan County,  
28 . . . .  
29 (b) The district is created under and is  
30 essential to accomplish the purposes of Section 59,  
31 Article XVI, Texas Constitution.

32 Revisor's Note

33 (1) Section 1(a), Chapter 1473, Acts of the 77th  
34 Legislature, Regular Session, 2001, refers to a  
35 confirmation election. Because the confirmation  
36 election has already been held, the revised law omits  
37 the provision as executed. The omitted law reads:

38 (a) . . . subject to approval at a

1 confirmation election under Section 10 of  
2 this Act. . . .

3 (2) Section 1(a), Chapter 1473, Acts of the 77th  
4 Legislature, Regular Session, 2001, provides that the  
5 district is a governmental agency and body politic and  
6 corporate. The revised law omits that provision  
7 because it duplicates a portion of Section 59(b),  
8 Article XVI, Texas Constitution, which provides that a  
9 conservation and reclamation district is a  
10 governmental agency and body politic and corporate.  
11 The omitted law reads:

12 (a) . . . The district is a  
13 governmental agency and a body politic and  
14 corporate.

15 Revised Law

16 Sec. 8869.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
17 district is created to serve a public use and benefit.

18 (b) All land and other property included in the district  
19 will benefit from the works and projects accomplished by the  
20 district under the powers conferred by Section 59, Article XVI,  
21 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1473, Sec. 4.)

22 Source Law

23 Sec. 4. All of the land and other property  
24 included within the boundaries of the district will be  
25 benefited by the works and projects that are to be  
26 accomplished by the district under powers conferred by  
27 Section 59, Article XVI, Texas Constitution. The  
28 district is created to serve a public use and benefit.

29 Revised Law

30 Sec. 8869.004. DISTRICT TERRITORY. The district's  
31 boundaries are coextensive with the boundaries of Nolan County,  
32 unless the district's territory has been modified under:

- 33 (1) Subchapter J or K, Chapter 36, Water Code; or  
34 (2) other law. (Acts 77th Leg., R.S., Ch. 1473, Sec.  
35 3; New.)

36 Source Law

37 Sec. 3. The boundaries of the district are  
38 coextensive with the boundaries of Nolan County.

1 Revisor's Note

2 Section 3, Chapter 1473, Acts of the 77th  
3 Legislature, Regular Session, 2001, contains a  
4 description of the territory of the district. That  
5 description may not be accurate on the effective date  
6 of the revised law or at the time of a later reading  
7 because the district's boundaries are subject to  
8 change. For the reader's convenience, the revised law  
9 adds references to the authority to change the  
10 district's territory under Subchapter J or K, Chapter  
11 36, Water Code, applicable to groundwater conservation  
12 districts, and to the general authority of the  
13 legislature to enact other laws under which the  
14 district's territory may change.

15 Revisor's Note  
16 (End of Subchapter)

17 (1) Section 5(a), Chapter 1473, Acts of the 77th  
18 Legislature, Regular Session, 2001, provides that the  
19 act prevails over general law in case of a conflict or  
20 other inconsistency. The revised law omits the  
21 provision because it substantively duplicates Section  
22 311.026, Government Code (Code Construction Act). The  
23 omitted law reads:

24 (a) . . . This Act prevails over any  
25 provision of general law that is in conflict  
26 or inconsistent with this Act.

27 (2) Section 5(b), Chapter 1473, Acts of the 77th  
28 Legislature, Regular Session, 2001, provides that  
29 certain provisions of the Water Code prevail over a  
30 conflicting or inconsistent provision of the act. The  
31 revised law omits Section 5(b) because it  
32 substantially duplicates Section 36.052(b), Water  
33 Code, which provides that the provisions of the Water  
34 Code referenced in Section 5(b), in addition to  
35 Section 36.107, Water Code, prevail over a conflicting  
36 or inconsistent provision of a special law that

1 governs a specific district. Although Section 5(b)  
2 does not reference Section 36.107, Water Code, that  
3 section of Chapter 36 is not in conflict or  
4 inconsistent with any provision of this chapter. The  
5 omitted law reads:

6 (b) Notwithstanding Subsection (a),  
7 the following provisions prevail over a  
8 conflicting or inconsistent provision of  
9 this Act:

- 10 (1) Sections 36.1071-36.108,  
11 Water Code;  
12 (2) Sections 36.159-36.161,  
13 Water Code; and  
14 (3) Subchapter I, Chapter 36,  
15 Water Code.

16 [Sections 8869.005-8869.050 reserved for expansion]

17 SUBCHAPTER B. BOARD OF DIRECTORS

18 Revised Law

19 Sec. 8869.051. COMPOSITION OF BOARD. The district is  
20 governed by a board of nine directors that consists of one at-large  
21 director and two directors from each county commissioners precinct.  
22 (Acts 77th Leg., R.S., Ch. 1473, Sec. 7(a) (part).)

23 Source Law

24 Sec. 7. (a) The district is governed by a board  
25 of nine directors that consists of one at-large  
26 director and two directors from each county  
27 commissioners precinct. . . .

28 Revised Law

29 Sec. 8869.052. ELECTION OF DIRECTORS. (a) Directors are  
30 elected according to the commissioners precinct method as provided  
31 by this section.

32 (b) One director is elected by the voters of the entire  
33 district. Two directors are elected from each county commissioners  
34 precinct by the voters of that precinct. Of the two directors  
35 elected from each precinct, one must reside in an incorporated area  
36 and one must reside in an unincorporated area.

37 (c) A person shall indicate on the application for a place  
38 on the ballot:

39 (1) the precinct that the person seeks to represent  
40 and whether that person resides in an incorporated or in an

1 unincorporated area; or

2 (2) that the person seeks to represent the district at  
3 large.

4 (d) When the boundaries of the county commissioners  
5 precincts are redrawn under Section 18, Article V, Texas  
6 Constitution, a director in office on the effective date of the  
7 change, or elected or appointed before the effective date of the  
8 change to a term of office beginning on or after the effective date  
9 of the change, shall serve the term or the remainder of the term in  
10 the precinct to which elected or appointed even though the change in  
11 boundaries places the person's residence outside the precinct for  
12 which the person was elected or appointed. (Acts 77th Leg., R.S.,  
13 Ch. 1473, Secs. 7(a) (part), 9(a), (b), (d), (e), as amended Acts  
14 79th Leg., R.S., Chs. 858, 1088.)

15 Source Law

16 Sec. 7. (a) . . . One director from each  
17 precinct must reside in an incorporated area of the  
18 precinct and one director from each precinct must  
19 reside in an unincorporated area of the precinct.

20 Sec. 9. (a) The directors of the district shall  
21 be elected according to the commissioners precinct  
22 method as provided by this section.

23 (b) One director shall be elected by the voters  
24 of the entire district, and two directors shall be  
25 elected from each county commissioners precinct by the  
26 voters of that precinct. Of the two directors elected  
27 from each precinct, one must reside inside an  
28 incorporated area and one must reside outside an  
29 incorporated area.

30 (d) A person shall indicate on the application  
31 for a place on the ballot:

32 (1) the precinct that the person seeks to  
33 represent and whether that person resides in an  
34 incorporated or in an unincorporated area; or

35 (2) that the person seeks to represent the  
36 district at large.

37 [as amended Acts 79th Leg., R.S., Ch. 858]

38 (e) When the boundaries of the county  
39 commissioners precincts are redrawn under Section 18,  
40 Article V, Texas Constitution, a director in office on  
41 the effective date of the change, or elected or  
42 appointed before the effective date of the change to a  
43 term of office beginning on or after the effective date  
44 of the change, shall serve the term or the remainder of  
45 the term in the precinct to which elected or appointed  
46 even though the change in boundaries places the  
47 person's residence outside the precinct for which the  
48 person was elected or appointed.

49 [as amended Acts 79th Leg., R.S., Ch. 1088]

1 (e) When the boundaries of the county  
2 commissioners precincts are redrawn under Section 18,  
3 Article V, Texas Constitution, a director in office on  
4 the effective date of the change, or elected or  
5 appointed before the effective date of the change to a  
6 term of office beginning on or after the effective date  
7 of the change, shall serve the term or the remainder of  
8 the term in the precinct to which elected or appointed  
9 even though the change in boundaries places the  
10 person's residence outside the precinct for which the  
11 person was elected or appointed.

12 Revisor's Note

13 Section 7(e), Chapter 1473, Acts of the 77th  
14 Legislature, Regular Session, 2001, provides that a  
15 director must qualify to serve in the manner provided  
16 by Section 36.055, Water Code. The revised law omits  
17 that provision because Section 36.055, Water Code,  
18 applies to the district under Section 8869.101 of this  
19 chapter and Section 36.001(1), Water Code. The  
20 omitted law reads:

21 (e) Each director must qualify to  
22 serve as director in the manner provided by  
23 Section 36.055, Water Code.

24 Revised Law

25 Sec. 8869.053. TERMS. Directors serve staggered four-year  
26 terms with four or five members' terms expiring December 1 of each  
27 even-numbered year. (Acts 77th Leg., R.S., Ch. 1473, Secs. 7(d),  
28 11A, as added Acts 79th Leg., R.S., Chs. 858, 1088.)

29 Source Law

30 [Sec. 7]

31 (d) Permanent directors serve staggered  
32 four-year terms with four or five members' terms  
33 expiring in each even-numbered year.

34 [as added Acts 79th Leg., R.S., Ch. 858]

35 Sec. 11A. (a) On the uniform election date  
36 prescribed by Section 41.001, Election Code, in  
37 November 2006, an election shall be held in the  
38 district for the election of the directors from  
39 Precincts 2 and 4 to serve four-year terms expiring  
40 December 1, 2010.

41 (b) On the uniform election date prescribed by  
42 Section 41.001, Election Code, in November 2008, an  
43 election shall be held in the district for the election  
44 of the at-large director and the directors from  
45 Precincts 1 and 3 to serve four-year terms expiring  
46 December 1, 2012.

47 [as added Acts 79th Leg., R.S., Ch. 1088]

48 Sec. 11A. (a) On the uniform election date  
49 prescribed by Section 41.001, Election Code, in  
50 November 2006, an election shall be held in the

1 district for the election of the directors from  
2 Precincts 2 and 4 to serve four-year terms expiring  
3 December 1, 2010.

4 (b) On the uniform election date prescribed by  
5 Section 41.001, Election Code, in November 2008, an  
6 election shall be held in the district for the election  
7 of the at-large director and the directors from  
8 Precincts 1 and 3 to serve four-year terms expiring  
9 December 1, 2012.

10 Revisor's Note

11 (1) Section 7(d), Chapter 1473, Acts of the 77th  
12 Legislature, Regular Session, 2001, refers to  
13 "[p]ermanent" directors. The revised law omits  
14 "[p]ermanent." Sections 7 and 8 of Chapter 1473 refer  
15 to "temporary," "initial," and "permanent" directors  
16 to distinguish between the "temporary" directors named  
17 or appointed under Section 8, the directors who  
18 immediately succeeded the "temporary" directors after  
19 the first election of directors, and subsequently  
20 serving directors. For the reasons stated in the  
21 revisor's notes at the end of this subchapter, the  
22 revised law omits provisions regarding "temporary" and  
23 "initial" directors. It is, therefore, no longer  
24 necessary to distinguish between "temporary,"  
25 "initial," and "permanent" directors, and the revised  
26 law is drafted accordingly.

27 (2) Section 7(f), Chapter 1473, Acts of the 77th  
28 Legislature, Regular Session, 2001, provides that a  
29 director serves until a successor has qualified. The  
30 revised law omits the provision because it duplicates  
31 Section 17, Article XVI, Texas Constitution, which  
32 provides that an officer in this state continues to  
33 perform the officer's duties until a successor has  
34 qualified. The omitted law reads:

35 (f) A director serves until the  
36 director's successor has qualified.

37 (3) Section 11A, Chapter 1473, Acts of the 77th  
38 Legislature, Regular Session, 2001, as added by  
39 Chapters 858 and 1088, Acts of the 79th Legislature,

1 Regular Session, 2005, prescribes the election dates  
2 for certain directors' elections and establishes the  
3 staggering of directors' terms. Because those  
4 elections have been held, the revised law omits those  
5 portions of Section 11A relating to the elections as  
6 executed.

7 Revised Law

8 Sec. 8869.054. ELECTION DATE. On the uniform election date  
9 prescribed by Section 41.001, Election Code, in November of each  
10 even-numbered year, the appropriate number of directors shall be  
11 elected. (Acts 77th Leg., R.S., Ch. 1473, Sec. 11, as amended Acts  
12 79th Leg., R.S., Chs. 858, 1088.)

13 Source Law

14 [as amended Acts 79th Leg., R.S., Ch. 858]

15 Sec. 11. On the uniform election date  
16 prescribed by Section 41.001, Election Code, in  
17 November of each even-numbered year, the appropriate  
18 number of directors shall be elected.

19 [as amended Acts 79th Leg., R.S., Ch. 1088]

20 Sec. 11. On the uniform election date  
21 prescribed by Section 41.001, Election Code, in  
22 November of each even-numbered year, the appropriate  
23 number of directors shall be elected.

24 Revised Law

25 Sec. 8869.055. QUALIFICATIONS FOR OFFICE. (a) To be a  
26 candidate for or to serve as director at large, a person must reside  
27 in and be a registered voter in the district.

28 (b) To be a candidate for or to serve as director from an  
29 incorporated area of a county commissioners precinct, a person must  
30 reside in an incorporated area of and be a registered voter of that  
31 precinct.

32 (c) To be a candidate for or to serve as director from an  
33 unincorporated area of a county commissioners precinct, a person  
34 must reside in an unincorporated area of and be a registered voter  
35 of that precinct. (Acts 77th Leg., R.S., Ch. 1473, Sec. 9(c).)

36 Source Law

37 (c) To be qualified to be a candidate for or to  
38 serve as director at large, a person must reside in and  
39 be a registered voter in the district. To be a  
40 candidate for or to serve as director from an

1 incorporated area of a county commissioners precinct,  
2 a person must reside in an incorporated area of and be  
3 a registered voter of that precinct. To be a candidate  
4 for or to serve as director from an unincorporated area  
5 of a county commissioners precinct, a person must  
6 reside in an unincorporated area of and be a registered  
7 voter of that precinct.

8 Revisor's Note  
9 (End of Subchapter)

10 (1) Sections 7(b) and (c), Chapter 1473, Acts of  
11 the 77th Legislature, Regular Session, 2001, provide  
12 for the terms of office of "temporary" and "initial"  
13 directors of the district. Because the terms of the  
14 temporary and initial directors have expired, the  
15 revised law omits Sections 7(b) and (c) as executed.  
16 The omitted law reads:

17 (b) Temporary directors serve until  
18 initial directors are elected under Section  
19 10 of this Act.

20 (c) Initial directors serve until  
21 permanent directors are elected under  
22 Section 11 of this Act.

23 (2) Section 8, Chapter 1473, Acts of the 77th  
24 Legislature, Regular Session, 2001, names the  
25 temporary directors and provides for filling vacancies  
26 on the temporary board. Because the temporary  
27 directors were appointed and the terms of the  
28 temporary directors have expired, the revised law  
29 omits those provisions as executed. The omitted law  
30 reads:

31 Sec. 8. (a) The temporary board of  
32 directors consists of:

- 33 (1) John Adams;
- 34 (2) Jim Boston;
- 35 (3) J. B. Cooper;
- 36 (4) Mike Ensminger; and
- 37 (5) Glenn Wortham.

38 (b) If a temporary director fails to  
39 qualify for office, the temporary directors  
40 who have qualified shall appoint a person to  
41 fill the vacancy. If at any time there are  
42 fewer than three qualified temporary  
43 directors, the Texas Natural Resource  
44 Conservation Commission shall appoint the  
45 necessary number of persons to fill all  
46 vacancies on the board.

47 (3) Section 10, Chapter 1473, Acts of the 77th  
48 Legislature, Regular Session, 2001, provides

1 procedures for holding an election to confirm the  
2 district's creation and to elect the district's initial  
3 board. Because the district has been confirmed and its  
4 initial directors have been elected, the revised law  
5 omits those provisions as executed. The omitted law  
6 reads:

7 Sec. 10. (a) The temporary board of  
8 directors shall call and hold an election to  
9 confirm the establishment of the district  
10 and to elect initial directors.

11 (b) At the confirmation and initial  
12 directors' election, the temporary board of  
13 directors shall have placed on the ballot  
14 the name of any candidate filing for an  
15 initial director's position and blank  
16 spaces to write in the names of other  
17 persons. A temporary director who is  
18 qualified to be a candidate under Section 9  
19 may file for an initial director's position.

20 (c) Section 41.001(a), Election  
21 Code, does not apply to a confirmation and  
22 initial directors' election held as  
23 provided by this section.

24 (d) Except as provided by this  
25 section, a confirmation and initial  
26 directors' election must be held as provided  
27 by Sections 36.017(b)-(h), Water Code, and  
28 the Election Code.

29 (4) Section 3, Chapter 858, and Section 3,  
30 Chapter 1088, Acts of the 79th Legislature, Regular  
31 Session, 2005, refer to transition procedures  
32 regarding the terms of certain elected directors. The  
33 revised law omits those provisions as executed. The  
34 omitted law reads:

35 [Acts 79th Leg., R.S., Ch. 858]

36 Sec. 3. (a) The terms of the Wes-Tex  
37 Groundwater Conservation District  
38 directors elected from Precincts 2 and 4 and  
39 serving on the effective date of this Act  
40 expire December 1, 2006.

41 (b) The term of the Wes-Tex  
42 Groundwater Conservation District director  
43 elected from the district at large and the  
44 terms of the directors elected from  
45 Precincts 1 and 3 who are serving on the  
46 effective date of this Act expire December  
47 1, 2008.

48 [Acts 79th Leg., R.S., Ch. 1088]

49 Sec. 3. (a) The terms of the Wes-Tex  
50 Groundwater Conservation District  
51 directors elected from Precincts 2 and 4 and  
52 serving on the effective date of this Act  
53 expire December 1, 2006.

54 (b) The term of the Wes-Tex

1 Groundwater Conservation District director  
2 elected from the district at large and the  
3 terms of the directors elected from  
4 Precincts 1 and 3 who are serving on the  
5 effective date of this Act expire December  
6 1, 2008.

7 [Sections 8869.056-8869.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Revised Law

10 Sec. 8869.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
11 AND DUTIES. The district has the rights, powers, privileges,  
12 functions, and duties provided by the general law of this state,  
13 including Chapter 36, Water Code, applicable to groundwater  
14 conservation districts created under Section 59, Article XVI, Texas  
15 Constitution. (Acts 77th Leg., R.S., Ch. 1473, Sec. 5(a) (part).)

16 Source Law

17 Sec. 5. (a) The district has all of the rights,  
18 powers, privileges, authority, functions, and duties  
19 provided by the general law of this state, including  
20 Chapter 36, Water Code, applicable to groundwater  
21 conservation districts created under Section 59,  
22 Article XVI, Texas Constitution. . . .

23 Revisor's Note

24 Section 5(a), Chapter 1473, Acts of the 77th  
25 Legislature, Regular Session, 2001, refers to the  
26 "rights, powers, privileges, [and] authority" of the  
27 district. The revised law omits the reference to  
28 "authority" because, in context, "authority" is  
29 included in the meaning of "rights, powers, [and]  
30 privileges."

31 Revised Law

32 Sec. 8869.102. LIMITATIONS ON DISTRICT POWERS.  
33 Notwithstanding Section 8869.101, the district may not:

- 34 (1) acquire land;
- 35 (2) purchase, sell, transport, or distribute surface  
36 water or groundwater;
- 37 (3) issue bonds; or
- 38 (4) exercise eminent domain authority. (Acts 77th  
39 Leg., R.S., Ch. 1473, Sec. 6.)



1 recommendations. The revised law omits those  
2 provisions as executed. The omitted law reads:

3 Sec. 13. (a) The proper and legal  
4 notice of the intention to introduce this  
5 Act, setting forth the general substance of  
6 this Act, has been published as provided by  
7 law, and the notice and a copy of this Act  
8 have been furnished to all persons,  
9 agencies, officials, or entities to which  
10 they are required to be furnished by the  
11 constitution and other laws of this state,  
12 including the governor, who has submitted  
13 the notice and Act to the Texas Natural  
14 Resource Conservation Commission.

15 (b) The Texas Natural Resource  
16 Conservation Commission has filed its  
17 recommendations relating to this Act with  
18 the governor, lieutenant governor, and  
19 speaker of the house of representatives  
20 within the required time.

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

27 CHAPTER 8870. TRINITY GLEN ROSE GROUNDWATER CONSERVATION DISTRICT

28 SUBCHAPTER A. GENERAL PROVISIONS

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37 [Sections 8870.008-8870.050 reserved for expansion]

38 SUBCHAPTER B. BOARD OF DIRECTORS

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45 [Sections 8870.057-8870.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

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10 [Sections 8870.106-8870.150 reserved for expansion]

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18 CHAPTER 8870. TRINITY GLEN ROSE GROUNDWATER CONSERVATION DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Revised Law

21 Sec. 8870.001. DEFINITIONS. In this chapter:

22 (1) "Board" means the district's board of directors.

23 (2) "Commission" means the Texas Commission on

24 Environmental Quality.

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

26 (4) "District" means the Trinity Glen Rose Groundwater

27 Conservation District. (Acts 77th Leg., R.S., Ch. 1312, Sec. 2;

28 New.)

29 Source Law

30 Sec. 2. In this Act:

31 (1) "Board" means the board of directors

32 of the district.

33 (2) "District" means the Trinity Glen Rose

34 Groundwater Conservation District.

35 (3) "Commission" means the Texas Natural

36 Resource Conservation Commission.

1 Revisor's Note

2 (1) Section 2(3), Chapter 1312, Acts of the 77th  
3 Legislature, Regular Session, 2001, defines  
4 "commission" as "the Texas Natural Resource  
5 Conservation Commission." The revised law substitutes  
6 "Texas Commission on Environmental Quality" for "Texas  
7 Natural Resource Conservation Commission" because the  
8 name of the Texas Natural Resource Conservation  
9 Commission was changed to the Texas Commission on  
10 Environmental Quality by Section 18.01, Chapter 965,  
11 Acts of the 77th Legislature, Regular Session, 2001.

12 (2) The definition of "director" is added to the  
13 revised law for drafting convenience and to eliminate  
14 frequent, unnecessary repetition of the substance of  
15 the definition.

16 Revised Law

17 Sec. 8870.002. NATURE OF DISTRICT. The district is a  
18 groundwater conservation district in the part of Bexar County  
19 overlying the Trinity Aquifer and is created under and essential to  
20 accomplish the purposes of Section 59, Article XVI, Texas  
21 Constitution. (Acts 77th Leg., R.S., Ch. 1312, Secs. 1(a) (part),  
22 (b).)

23 Source Law

24 Sec. 1. (a) A conservation and reclamation  
25 district, to be known as the Trinity Glen Rose  
26 Groundwater Conservation District, is created in that  
27 part of Bexar County overlying the Trinity Aquifer,  
28 . . . .  
29 (b) The district is created under and is  
30 essential to accomplish the purposes of Section 59,  
31 Article XVI, Texas Constitution.

32 Revisor's Note

33 (1) Section 1(a), Chapter 1312, Acts of the 77th  
34 Legislature, Regular Session, 2001, refers to a  
35 confirmation election. Because the confirmation  
36 election has already been held, the revised law omits  
37 the provision as executed. The omitted law reads:

38 (a) . . . subject to approval at a

1 confirmation election under Section 9 of  
2 this Act. . . .

3 (2) Section 1(a), Chapter 1312, Acts of the 77th  
4 Legislature, Regular Session, 2001, provides that the  
5 district is a governmental agency and body politic and  
6 corporate. The revised law omits that provision  
7 because it duplicates a portion of Section 59(b),  
8 Article XVI, Texas Constitution, which provides that a  
9 conservation and reclamation district is a  
10 governmental agency and body politic and corporate.  
11 The omitted law reads:

12 (a) . . . The district is a  
13 governmental agency and a body politic and  
14 corporate.

15 Revised Law

16 Sec. 8870.003. PURPOSE. The purpose of the district is to  
17 develop and implement regulatory, conservation, and recharge  
18 programs that preserve and protect the underground water resources  
19 located within the district. (Acts 77th Leg., R.S., Ch. 1312, Sec.  
20 1(c).)

21 Source Law

22 (c) The purpose of the district is to develop  
23 and implement regulatory, conservation, and recharge  
24 programs that preserve and protect the underground  
25 water resources located within the district.

26 Revised Law

27 Sec. 8870.004. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
28 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 works and projects accomplished by the  
31 district under the powers conferred by Section 59, Article XVI,  
32 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1312, Sec. 4.)

33 Source Law

34 Sec. 4. All of the land and other property  
35 included within the boundaries of the district will be  
36 benefited by the works and projects that are to be  
37 accomplished by the district under powers conferred by  
38 Section 59, Article XVI, Texas Constitution. The  
39 district is created to serve a public use and benefit.

1 Revised Law

2 Sec. 8870.005. DISTRICT TERRITORY. (a) The district is  
3 composed of the territory described by Section 3, Chapter 1312,  
4 Acts of the 77th Legislature, Regular Session, 2001, as that  
5 territory may have been modified under:

6 (1) Subsection (b) or its predecessor statute, former  
7 Section 3(b), Chapter 1312, Acts of the 77th Legislature, Regular  
8 Session, 2001;

9 (2) Section 8870.006 or 8870.007 or their predecessor  
10 statutes, former Sections 19 and 19A, Chapter 1312, Acts of the 77th  
11 Legislature, Regular Session, 2001;

12 (3) Subchapter J or K, Chapter 36, Water Code; or

13 (4) other law.

14 (b) The district may add territory inside the boundaries of  
15 the Edwards Aquifer Authority with the consent of the board of  
16 directors of the authority in the manner provided by Subchapter J,  
17 Chapter 36, Water Code. (Acts 77th Leg., R.S., Ch. 1312, Sec. 3(b);  
18 New.)

19 Source Law

20 (b) The district may add territory inside the  
21 boundaries of the Edwards Aquifer Authority with the  
22 consent of the board of directors of the authority in  
23 the manner provided by Subchapter J, Chapter 36, Water  
24 Code.

25 Revisor's Note

26 The revision of the law governing the district  
27 does not revise the statutory language describing the  
28 territory of the district. That description may not be  
29 accurate on the effective date of the revision or at  
30 the time of a later reading because the district's  
31 boundaries are subject to change. For the reader's  
32 convenience, the revised law adds references to the  
33 statutory description of the district's territory and  
34 to the authority to change the district's territory  
35 under Subsection (b) of the revised law or Section  
36 3(b), Chapter 1312, Acts of the 77th Legislature,

1 Regular Session, 2001, from which Subsection (b) was  
2 derived, under Section 8870.006 or 8870.007 or Section  
3 19 or 19A, Chapter 1312, Acts of the 77th Legislature,  
4 Regular Session, 2001, from which those sections were  
5 derived, and under Subchapter J or K, Chapter 36, Water  
6 Code, applicable to groundwater conservation  
7 districts. The revised law also adds a reference to  
8 the general authority of the legislature to enact  
9 other laws under which the district's territory may  
10 change.

11 Revised Law

12 Sec. 8870.006. MUNICIPALITY'S CHOICE OF DISTRICT. (a) If  
13 any part of a municipality, a part of which is included within the  
14 boundaries of the district, is included within the boundaries of  
15 one or more other groundwater conservation districts created by  
16 special Act of the 77th Legislature, Regular Session, 2001, and  
17 confirmed at a subsequent election called for the purpose, the  
18 municipality, not later than August 31, 2004, at an election called  
19 for the purpose, may vote to choose the one groundwater  
20 conservation district of which it will be a part.

21 (b) If, after a municipality has held an election authorized  
22 by Subsection (a), another groundwater conservation district  
23 created by special Act of the 77th Legislature, Regular Session,  
24 2001, that includes any part of the municipality is confirmed at an  
25 election called for the purpose and if the district of which the  
26 municipality has chosen to be a part has not issued bonds secured by  
27 ad valorem taxes on any land within the boundaries of the  
28 municipality, the municipality may hold another election under this  
29 section to choose whether to remain within the groundwater  
30 conservation district of which it has chosen to be a part or to  
31 separate from that district and become part of the newly confirmed  
32 groundwater conservation district. The district may hold another  
33 election under this section, regardless of the number of previous  
34 elections under this section, at any time a district described by

1 Subsection (a) is confirmed.

2 (c) Section 41.001(a), Election Code, does not apply to an  
3 election under this section.

4 (d) This section and the results of an election held under  
5 this section prevail over the provisions of any Act of the 77th  
6 Legislature, Regular Session, 2001, other than Chapter 1312, Acts  
7 of the 77th Legislature, Regular Session, 2001, regardless of the  
8 relative dates on which Chapter 1312, Acts of the 77th Legislature,  
9 Regular Session, 2001, and the other Act were enacted and became  
10 law. (Acts 77th Leg., R.S., Ch. 1312, Secs. 19(a), (b), (c) (part),  
11 (d).)

12 Source Law

13 Sec. 19. (a) If any part of a municipality, a  
14 part of which is included within the boundaries of the  
15 district, is included within the boundaries of one or  
16 more other groundwater conservation districts created  
17 by special Act of the 77th Legislature, Regular  
18 Session, 2001, and confirmed at a subsequent election  
19 called for the purpose, the municipality, not later  
20 than August 31, 2004, at an election called for the  
21 purpose, may vote to choose the one groundwater  
22 conservation district of which it will be a part.

23 (b) If, after a municipality has held an  
24 election authorized by Subsection (a), another  
25 groundwater conservation district created by special  
26 Act of the 77th Legislature, Regular Session, 2001,  
27 that includes any part of the municipality is  
28 confirmed at an election called for the purpose and if  
29 the district of which the municipality has chosen to be  
30 a part has not issued bonds secured by ad valorem taxes  
31 on any land within the boundaries of the municipality,  
32 the municipality may hold another election under this  
33 section to choose whether to remain within the  
34 groundwater conservation district of which it has  
35 chosen to be a part or to separate from that district  
36 and become part of the newly confirmed groundwater  
37 conservation district. The district may hold another  
38 election under this section, regardless of the number  
39 of previous elections under this section, at any time a  
40 district described by Subsection (a) is confirmed.

41 (c) . . . Section 41.001(a), Election Code,  
42 does not apply to an election under this section.

43 (d) This section and the results of an election  
44 held under this section prevail over the provisions of  
45 any other Act of the 77th Legislature, Regular  
46 Session, 2001, regardless of the relative dates on  
47 which this Act and the other Act may be enacted and  
48 become law.

49 Revisor's Note

50 Section 19(c), Chapter 1312, Acts of the 77th  
51 Legislature, Regular Session, 2001, provides that the  
52 Election Code governs the election, except to the

1 extent of any conflict with that section. The revised  
2 law omits the provision as unnecessary because Section  
3 1.002, Election Code, provides that the Election Code  
4 applies to all elections held in this state. An  
5 exception to the application of the Election Code  
6 would apply by its own terms. The omitted law reads:

7 (c) An election under this section  
8 shall be held according to the requirements  
9 of the Election Code, except to the extent  
10 of any conflict with the requirements of  
11 this section. . . .

12 Revised Law

13 Sec. 8870.007. EFFECT OF ANNEXATION OF LAND BY CERTAIN  
14 MUNICIPALITIES. (a) In this section:

15 (1) "Inhabited land" means land on which at least one  
16 fixed, permanent, and occupied dwelling is situated, as of the date  
17 on which the land is annexed by a municipality.

18 (2) "Vacant land" means land on which no fixed,  
19 permanent, and occupied dwelling is situated, as of the date on  
20 which the land is annexed by a municipality.

21 (b) If a municipality that has held an election under  
22 Section 8870.006 or its predecessor statute, former Section 19,  
23 Chapter 1312, Acts of the 77th Legislature, Regular Session, 2001,  
24 subsequently annexes vacant land that is not located in the  
25 groundwater conservation district chosen by the municipality in the  
26 election, the annexed vacant land by that action:

27 (1) becomes part of the territory of the groundwater  
28 conservation district chosen by the municipality in the election;  
29 and

30 (2) is disannexed from any other groundwater  
31 conservation district in which the land is located.

32 (c) If a municipality that has held an election under  
33 Section 8870.006 or its predecessor statute, former Section 19,  
34 Chapter 1312, Acts of the 77th Legislature, Regular Session, 2001,  
35 subsequently annexes inhabited land that is not located in the  
36 groundwater conservation district chosen by the municipality in the

1 election, the landowners of the annexed inhabited land may file a  
2 petition with the groundwater conservation district requesting  
3 inclusion in that district as provided by Subchapter J, Chapter 36,  
4 Water Code. Notwithstanding Section 36.325(b), Water Code, the  
5 petition must be signed by all of the landowners of the land to be  
6 annexed by the groundwater conservation district. If the affected  
7 landowners do not file a petition as provided by this subsection,  
8 the municipality shall hold an election under Section 8870.006 in  
9 which the voters in the annexed inhabited land may choose the one  
10 groundwater conservation district of which the annexed land will be  
11 a part.

12 (d) Any land annexed by the municipality after an election  
13 under Section 8870.006 or its predecessor statute, former Section  
14 19, Chapter 1312, Acts of the 77th Legislature, Regular Session,  
15 2001, and before the effective date of this section is:

16 (1) territory of the district chosen by the  
17 municipality in the election; and

18 (2) disannexed from any other groundwater  
19 conservation district in which the land is located.

20 (e) A disannexation of a groundwater conservation  
21 district's territory under this section does not diminish or impair  
22 the rights of the holders of any outstanding and unpaid bonds,  
23 warrants, or other obligations of that groundwater conservation  
24 district. Property disannexed under this section is not released  
25 from its pro rata share of any indebtedness of that groundwater  
26 conservation district at the time of the disannexation, and that  
27 groundwater conservation district may continue to tax the property  
28 until that debt is paid. (Acts 77th Leg., R.S., Ch. 1312, Sec. 19A.)

29 Source Law

30 Sec. 19A. (a) In this section:

31 (1) "Inhabited land" means land on which  
32 at least one fixed, permanent, and occupied dwelling  
33 is situated, as of the date on which the land is  
34 annexed by a municipality.

35 (2) "Vacant land" means land on which no  
36 fixed, permanent, and occupied dwelling is situated,  
37 as of the date on which the land is annexed by a  
38 municipality.

39 (b) If a municipality that has held an election

1 under Section 19 of this Act subsequently annexes  
2 vacant land that is not located in the groundwater  
3 conservation district chosen by the municipality in  
4 the election, the annexed vacant land by that action:

5 (1) becomes part of the territory of the  
6 groundwater conservation district chosen by the  
7 municipality in the election; and

8 (2) is disannexed from any other  
9 groundwater conservation district in which the land is  
10 located.

11 (c) If a municipality that has held an election  
12 under Section 19 of this Act subsequently annexes  
13 inhabited land that is not located in the groundwater  
14 conservation district chosen by the municipality in  
15 the election, the landowners of the annexed inhabited  
16 land may file a petition with the groundwater  
17 conservation district requesting inclusion in that  
18 district as provided by Subchapter J, Chapter 36,  
19 Water Code. Notwithstanding Section 36.325(b), Water  
20 Code, the petition must be signed by all of the  
21 landowners of the land to be annexed by the groundwater  
22 conservation district. If the affected landowners do  
23 not file a petition as provided by this subsection, the  
24 municipality shall hold an election under Section 19  
25 of this Act in which the voters in the annexed  
26 inhabited land may choose the one groundwater  
27 conservation district of which the annexed land will  
28 be a part.

29 (d) Any land annexed by the municipality after  
30 an election under Section 19 of this Act and before the  
31 effective date of this section is:

32 (1) territory of the district chosen by  
33 the municipality in the election; and

34 (2) disannexed from any other groundwater  
35 conservation district in which the land is located.

36 (e) A disannexation of a groundwater  
37 conservation district's territory under this section  
38 does not diminish or impair the rights of the holders  
39 of any outstanding and unpaid bonds, warrants, or  
40 other obligations of that groundwater conservation  
41 district. Property disannexed under this section is  
42 not released from its pro rata share of any  
43 indebtedness of that groundwater conservation  
44 district at the time of the disannexation, and that  
45 groundwater conservation district may continue to tax  
46 the property until that debt is paid.

47 Revisor's Note  
48 (End of Subchapter)

49 Section 5(b), Chapter 1312, Acts of the 77th  
50 Legislature, Regular Session, 2001, provides that the  
51 act prevails over general law in case of a conflict or  
52 other inconsistency. The revised law omits the  
53 provision because it substantively duplicates Section  
54 311.026, Government Code (Code Construction Act). The  
55 omitted law reads:

56 (b) This Act prevails over any  
57 provision of general law that is in conflict  
58 or inconsistent with this Act.

59 [Sections 8870.008-8870.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 8870.051. COMPOSITION OF BOARD; TERMS. (a) The  
4 district is governed by a board of five directors.

5 (b) Directors serve staggered four-year terms. (Acts 77th  
6 Leg., R.S., Ch. 1312, Secs. 7(a), 11(c).)

7 Source Law

8 Sec. 7. (a) The district is governed by a board  
9 of five directors.

10 [Sec. 11]

11 (c) Permanent directors serve staggered  
12 four-year terms.

13 Revisor's Note

14 (1) Section 11(c), Chapter 1312, Acts of the  
15 77th Legislature, Regular Session, 2001, refers to  
16 "[p]ermanent" directors. The revised law omits  
17 "[p]ermanent." Sections 11(a), (b), and (c) refer to  
18 "temporary," "initial," and "permanent" directors to  
19 distinguish between the original "temporary"  
20 directors, the "initial" directors who immediately  
21 succeeded the "temporary" directors after the first  
22 election of directors, and subsequently serving  
23 "permanent" directors. For the reasons stated in the  
24 revisor's notes at the end of this subchapter, the  
25 revised law omits provisions regarding "temporary" and  
26 "initial" directors. It is therefore no longer  
27 necessary to distinguish between "temporary,"  
28 "initial," and "permanent" directors, and the revised  
29 law is drafted accordingly.

30 (2) Section 11(d), Chapter 1312, Acts of the  
31 77th Legislature, Regular Session, 2001, provides that  
32 a director serves until a successor has qualified. The  
33 revised law omits that provision because it duplicates  
34 Section 17, Article XVI, Texas Constitution, which  
35 provides that an officer in this state continues to  
36 perform the officer's official duties until a

1 successor has qualified. The omitted law reads:

2 (d) A director serves until the  
3 director's successor has qualified.

4 (3) Section 11(e), Chapter 1312, Acts of the  
5 77th Legislature, Regular Session, 2001, provides that  
6 a director must qualify to serve in the manner provided  
7 by Section 36.055, Water Code. The revised law omits  
8 that provision because Section 36.055, Water Code,  
9 applies to the district under Section 8870.101 of this  
10 chapter and Section 36.001(1), Water Code. The  
11 omitted law reads:

12 (e) Each director must qualify to  
13 serve as director in the manner provided by  
14 Section 36.055, Water Code.

15 Revised Law

16 Sec. 8870.052. ELECTION OF DIRECTORS. (a) The district is  
17 divided into five numbered, single-member districts for electing  
18 directors.

19 (b) One director is elected from each single-member  
20 district. A director elected from a single-member district  
21 represents the residents of that single-member district. (Acts  
22 77th Leg., R.S., Ch. 1312, Secs. 6(a), (b).)

23 Source Law

24 Sec. 6. (a) The temporary directors shall draw  
25 five numbered, single-member districts for electing  
26 directors.

27 (b) For the conduct of an election under Section  
28 9 or Section 12 of this Act, the board shall provide  
29 for one director to be elected from each of the  
30 single-member districts. A director elected from a  
31 single-member district represents the residents of  
32 that single-member district.

33 Revisor's Note

34 (1) Section 6(a), Chapter 1312, Acts of the 77th  
35 Legislature, Regular Session, 2001, provides that  
36 "[t]he temporary directors shall draw" five numbered,  
37 single-member districts for electing directors. The  
38 revised law substitutes "[t]he district is divided  
39 into" for the quoted language because the requirement  
40 that the temporary directors "draw," or divide the

1 district into, the numbered single-member districts is  
2 executed.

3 (2) Section 6(b), Chapter 1312, Acts of the 77th  
4 Legislature, Regular Session, 2001, provides that the  
5 single-member districts drawn by the temporary  
6 directors apply to "the conduct of an election under  
7 Section 9 or Section 12 of this Act," meaning the  
8 confirmation and initial directors' election (Section  
9 of Chapter 1312) or an election of permanent  
10 directors (Section 12 of Chapter 1312). The revised  
11 law omits the reference to the initial directors'  
12 election under Section 9 as executed. (See Revisor's  
13 Note (2) at the end of this subchapter.) The revised  
14 law also omits the reference to a permanent directors'  
15 election under Section 12 because there is no longer a  
16 need to specify the type of election. (See Revisor's  
17 Note (1) to Section 8870.051 and the revisor's notes at  
18 the end of this subchapter.)

19 Revised Law

20 Sec. 8870.053. ELECTION DATE. Each even-numbered year, on  
21 the uniform election date in May or another date authorized by law,  
22 the appropriate number of directors shall be elected. (Acts 77th  
23 Leg., R.S., Ch. 1312, Sec. 12.)

24 Source Law

25 Sec. 12. Beginning in the second year after the  
26 year in which the district is authorized to be created  
27 at a confirmation election, an election shall be held  
28 in the district on the first Saturday in May every two  
29 years to elect the appropriate number of directors to  
30 the board.

31 Revisor's Note

32 Section 12, Chapter 1312, Acts of the 77th  
33 Legislature, Regular Session, 2001, requires the board  
34 elections, "[b]eginning in the second year after the  
35 year in which the district is authorized to be created  
36 at a confirmation election," to be held on the "first  
37 Saturday in May every two years." The revised law

1 omits "[b]eginning in the second year after the year in  
2 which the district is authorized to be created at a  
3 confirmation election" as executed. Additionally,  
4 when Chapter 1312 was enacted, Section 41.001,  
5 Election Code, provided for a uniform election date of  
6 the first Saturday in May for all political  
7 subdivisions, indicating that the legislature  
8 intended the district's election to coincide with that  
9 uniform date. Since the enactment of Chapter 1312,  
10 various changes have been made to the May uniform  
11 election date. The revised law substitutes "uniform  
12 election date in May" for "first Saturday in May" to  
13 reflect those changes and to preserve the legislative  
14 intent that the election be held on the uniform  
15 election date in May. In addition, the revised law  
16 adds "or another date authorized by law" to  
17 acknowledge other legislative enactments such as  
18 Section 41.0052, Election Code, as amended by Chapter  
19 1318, Acts of the 82nd Legislature, Regular Session,  
20 2011, that could result in the election being held on a  
21 date other than the uniform election date in May.

22 The revised law also substitutes "each  
23 even-numbered year" for "every two years" because the  
24 creation election described by Section 12 was held in  
25 2002. As a result, subsequent directors' elections  
26 will also be held in even-numbered years.

27 Revised Law

28 Sec. 8870.054. QUALIFICATIONS FOR OFFICE. (a) To be  
29 qualified to be a candidate for or to serve as director, a person  
30 must be a registered voter in the single-member district that the  
31 person represents or seeks to represent.

32 (b) The disqualification of a director is governed by  
33 Section 49.052, Water Code. (Acts 77th Leg., R.S., Ch. 1312, Secs.  
34 5(c), 6(c).)

1 Source Law

2 [Sec. 5]

3 (c) The disqualification of directors of the  
4 district is governed by Section 49.052, Water Code.

5 [Sec. 6]

6 (c) To be qualified to be a candidate for or to  
7 serve as director, a person must be a registered voter  
8 in the single-member district that the person  
9 represents or seeks to represent.

10 Revisor's Note

11 Section 7(c), Chapter 1312, Acts of the 77th  
12 Legislature, Regular Session, 2001, provides that a  
13 person must be a registered voter in the district to be  
14 eligible to serve as a director. The revised law omits  
15 the provision as redundant because Section 6(c) of  
16 that act conditions eligibility to serve as a director  
17 on being a registered voter in the single-member  
18 district that the person represents or seeks to  
19 represent. The omitted law reads:

20 (c) To be eligible to serve as  
21 director, a person must be a registered  
22 voter in the district.

23 Revised Law

24 Sec. 8870.055. BOARD VACANCY. (a) The board shall appoint a  
25 replacement to fill a vacancy in the office of director.

26 (b) The appointed replacement serves until the next  
27 directors' election.

28 (c) At that election, a person is elected to fill the  
29 position. If the position is not scheduled to be filled at the  
30 election, the person elected to fill the position serves only for  
31 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.  
32 1312, Sec. 7(b).)

33 Source Law

34 (b) A vacancy in the office of director shall be  
35 filled by appointment of the board until the next  
36 election for directors. At the next election for  
37 directors, a person shall be elected to fill the  
38 position. If the position is not scheduled to be filled  
39 at the election, the person elected to fill the  
40 position shall serve only for the remainder of the  
41 unexpired term.

1 Revised Law

2 Sec. 8870.056. REVISION OF SINGLE-MEMBER DISTRICTS. (a)  
3 The board may revise the single-member districts as necessary or  
4 appropriate.

5 (b) The board shall revise each single-member district  
6 after each federal decennial census to reflect population changes.

7 (c) At the first election after the single-member districts  
8 are revised, a new director shall be elected from each district.  
9 The directors shall draw lots to determine which two directors  
10 serve two-year terms and which three directors serve four-year  
11 terms. (Acts 77th Leg., R.S., Ch. 1312, Sec. 6(d).)

12 Source Law

13 (d) The initial or permanent directors may  
14 revise the districts as necessary or appropriate. The  
15 board shall revise each single-member district after  
16 each federal decennial census to reflect population  
17 changes. At the first election after the single-member  
18 districts are revised, a new director shall be elected  
19 from each district. The directors shall draw lots to  
20 determine which two directors serve two-year terms and  
21 which three directors serve four-year terms.

22 Revisor's Note

23 Section 6(d), Chapter 1312, Acts of the 77th  
24 Legislature, Regular Session, 2001, refers to the  
25 "initial or permanent directors." The revised law  
26 omits the reference to "initial or permanent"  
27 directors for the reason stated in Revisor's Note (1)  
28 to Section 8870.051.

29 Revisor's Note  
30 (End of Subchapter)

31 (1) Section 8, Chapter 1312, Acts of the 77th  
32 Legislature, Regular Session, 2001, names the  
33 temporary directors and provides for filling vacancies  
34 on the temporary board. Because temporary directors  
35 were appointed and their terms have expired, the  
36 revised law omits those provisions as executed. The  
37 omitted law reads:

38 Sec. 8. (a) The temporary board of  
39 directors consists of:  
40 (1) Jack M. McGinnis --Voting

1 District No. 1  
2 (2) John J. Waldrop --Voting  
3 District No. 2  
4 (3) Daniel Kasprovicz --Voting  
5 District No. 3  
6 (4) Gary A. Gibbons --Voting  
7 District No. 4  
8 (5) Steve A. Peirce --Voting  
9 District No. 5

10 (b) If a temporary director fails to  
11 qualify for office, the temporary directors  
12 who have qualified shall appoint a person to  
13 fill the vacancy. If at any time there are  
14 fewer than three qualified temporary  
15 directors, the commission shall appoint the  
16 necessary number of persons to fill all  
17 vacancies on the board.

18 (2) Sections 9 and 10, Chapter 1312, Acts of the  
19 77th Legislature, Regular Session, 2001, provide  
20 procedures for holding an election to confirm the  
21 district's creation and elect the district's initial  
22 board and for determining the terms of the initial  
23 directors. The revised law omits those provisions as  
24 executed because the creation of the district has been  
25 confirmed, its initial board has been elected, and the  
26 terms of the initial directors have expired. The  
27 omitted law reads:

28 Sec. 9. (a) The temporary board of  
29 directors shall call and hold an election to  
30 confirm establishment of the district and  
31 to elect initial directors.

32 (b) At the confirmation and initial  
33 directors' election, the temporary board of  
34 directors shall have placed on the ballot  
35 the names of the persons serving as  
36 temporary directors who intend to run for an  
37 initial director's position together with  
38 the name of any candidate filing for an  
39 initial director's position and blank  
40 spaces to write in the names of other  
41 persons.

42 (c) Section 41.001(a), Election  
43 Code, does not apply to a confirmation and  
44 initial directors' election held as  
45 provided by this section.

46 (d) If a majority of the votes cast at  
47 the election favor the creation of the  
48 district, the temporary directors shall  
49 declare the district created. If a majority  
50 of the votes cast at the election oppose the  
51 creation of the district, the temporary  
52 directors shall declare the district  
53 defeated. The temporary directors shall  
54 file a copy of the election results with the  
55 commission.

56 (e) If a majority of the votes cast at  
57 the election oppose the creation of the  
58 district, the temporary directors may call

1 and hold subsequent elections to confirm  
2 establishment of the district. A subsequent  
3 election may not be held earlier than the  
4 first anniversary after the date on which  
5 the previous election was held. If the  
6 district is not created within three years  
7 after the effective date of this Act, this  
8 Act expires.

9 (f) Except as provided by this  
10 section, a confirmation election must be  
11 conducted as provided by Sections  
12 36.017(b)-(h), Water Code, and the Election  
13 Code.

14 Sec. 10. If creation of the district  
15 is confirmed under Section 9 of this Act,  
16 the initial directors shall draw lots to  
17 determine which two initial directors serve  
18 two-year terms and which three initial  
19 directors serve four-year terms.

20 (3) Sections 11(a) and (b), Chapter 1312, Acts  
21 of the 77th Legislature, Regular Session, 2001,  
22 provide for the terms of office of temporary and  
23 initial directors. Because the terms of the temporary  
24 and initial directors have expired, the revised law  
25 omits those provisions as executed. The omitted law  
26 reads:

27 Sec. 11. (a) Temporary directors  
28 serve until initial directors are elected  
29 under Section 9 of this Act or until this  
30 Act expires under Section 9(e) of this Act,  
31 whichever occurs earlier.

32 (b) Initial directors serve until  
33 permanent directors are elected under  
34 Section 12 of this Act.

35 [Sections 8870.057-8870.100 reserved for expansion]

#### 36 SUBCHAPTER C. POWERS AND DUTIES

##### 37 Revised Law

38 Sec. 8870.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
39 AND DUTIES. The district has the rights, powers, privileges,  
40 functions, and duties provided by the general law of this state,  
41 including Chapter 36, Water Code, applicable to groundwater  
42 conservation districts created under Section 59, Article XVI, Texas  
43 Constitution. (Acts 77th Leg., R.S., Ch. 1312, Sec. 5(a).)

##### 44 Source Law

45 Sec. 5. (a) The district has all of the rights,  
46 powers, privileges, authority, functions, and duties  
47 provided by the general law of this state, including  
48 Chapter 36, Water Code, applicable to groundwater  
49 conservation districts created under Section 59,  
50 Article XVI, Texas Constitution.

1 Revisor's Note

2 Section 5(a), Chapter 1312, Acts of the 77th  
3 Legislature, Regular Session, 2001, refers to the  
4 "rights, powers, privileges, [and] authority" of the  
5 district. The revised law omits the reference to  
6 "authority" because, in context, "authority" is  
7 included in the meaning of "rights, powers, [and]  
8 privileges."

9 Revised Law

10 Sec. 8870.102. REGULATION OF WELLS. (a) The board may  
11 require all or certain types of wells in the district to be  
12 registered with the district.

13 (b) Notwithstanding Section 36.117, Water Code:

14 (1) the production capacity for an exempt well in the  
15 district is 10,000 gallons per day or less; and

16 (2) an exempt domestic well in the district may not  
17 serve more than five households.

18 (c) A well on or serving a tract of land of less than five  
19 acres that is installed after September 1, 2001, regardless of  
20 whether a plat is required or whether the production capacity of the  
21 well is less than 10,000 gallons per day, is not an exempt well.

22 (d) This section does not affect the exempt status of public  
23 water supply wells under Section 8870.103. (Acts 77th Leg., R.S.,  
24 Ch. 1312, Secs. 14(a), (b), (c), (d).)

25 Source Law

26 Sec. 14. (a) The board may require all or  
27 certain types of wells to be registered with the  
28 district.

29 (b) Notwithstanding Section 36.117, Water Code:

30 (1) the production capacity for an exempt  
31 well in the district is 10,000 gallons per day or less;  
32 and

33 (2) an exempt domestic well in the  
34 district may not serve more than five households.

35 (c) A well on or serving a tract of land of less  
36 than five acres that is installed after the effective  
37 date of this Act, regardless of whether a plat is  
38 required or whether the production capacity of the  
39 well is less than 10,000 gallons per day, is not an  
40 exempt well.

41 (d) This section does not affect the exempt  
42 status of public water supply wells under Section 16 of  
43 this Act.

1 Revisor's Note

2 Section 14(c), Chapter 1312, Acts of the 77th  
3 Legislature, Regular Session, 2001, refers to the  
4 effective date of that act. Throughout this chapter,  
5 the revised law substitutes "September 1, 2001," for  
6 references to the effective date of Chapter 1312  
7 because that was the effective date of that act.

8 Revised Law

9 Sec. 8870.103. PUBLIC WATER SUPPLY WELLS; CERTAIN WELLS  
10 EXEMPT FROM REGULATION. (a) A public water supply well is exempt  
11 from regulation by the district if:

12 (1) the well existed on September 1, 2001, and was  
13 drilled in compliance with technical requirements in effect at the  
14 time the well was drilled; or

15 (2) the commission approved plans submitted for the  
16 installation of the well before September 1, 2001, and the  
17 installation of the well was completed in accordance with the  
18 approved plans and the commission's technical requirements before  
19 September 1, 2002.

20 (b) For the purposes of Subsection (a)(2), the installation  
21 of a well was timely completed if, before September 1, 2002, the  
22 well was drilled, cased, and cemented in accordance with the  
23 commission's technical requirements and the plans submitted to and  
24 approved by the commission before September 1, 2001, even if the  
25 well was capped for subsequent placement into service as part of a  
26 public water system.

27 (c) The owner of a public water supply well shall register  
28 the well with the district and submit reports to the district. A  
29 public water supply well is subject to the district's prohibitions  
30 on the waste of groundwater.

31 (d) The district may not require a construction or operating  
32 permit for a public water supply well approved by the commission.

33 (e) Fees a retail public utility pays to the district shall  
34 be collected directly from the customers of the utility as a

1 regulatory fee and shown as a separate line item on the customer's  
2 bill.

3 (f) The district may not prohibit the sale, purchase, lease,  
4 or trade of groundwater by a private well owner under this section.  
5 (Acts 77th Leg., R.S., Ch. 1312, Sec. 16.)

6 Source Law

7 Sec. 16. (a) A public water supply well is  
8 exempt from regulation by the district if:

9 (1) the well is in existence on the  
10 effective date of this Act and drilled in compliance  
11 with technical requirements in effect at the time the  
12 well was drilled; or

13 (2) the commission has approved plans  
14 submitted for the installation of the well before the  
15 effective date of this Act and the installation of the  
16 well is completed in accordance with the approved  
17 plans and the commission's technical requirements  
18 before the first anniversary of the effective date of  
19 this Act.

20 (b) The owner of a public water supply well  
21 shall register the well with the district and submit  
22 reports to the district. A public water supply well is  
23 subject to the district's prohibitions on the waste of  
24 groundwater.

25 (c) The district may not require a construction  
26 or operating permit for a public water supply well  
27 approved by the commission.

28 (d) Fees a retail public utility pays to the  
29 district shall be collected directly from the  
30 customers of the utility as a regulatory fee and shown  
31 as a separate line item on the customer's bill.

32 (e) For the purposes of Subsection (a)(2) of  
33 this section, the installation of a well is timely  
34 completed if, before September 1, 2002, the well is  
35 drilled, cased, and cemented in accordance with the  
36 commission's technical requirements and the plans  
37 submitted to and approved by the commission before  
38 September 1, 2001, even if the well is capped for  
39 subsequent placement into service as part of a public  
40 water system.

41 (f) The district shall not prohibit the sale,  
42 purchase, lease, or trade of groundwater by a private  
43 well owner under this section.

44 Revised Law

45 Sec. 8870.104. MANAGEMENT PRACTICES; CONSTRUCTION AND  
46 MAINTENANCE. The district may:

47 (1) construct, implement, and maintain best  
48 management practices in the district;

49 (2) engage in and promote the acceptance of best  
50 management practices through education efforts sponsored by the  
51 district;

52 (3) include the construction and maintenance of

1 terraces and other structures on land in the district;

2 (4) engage in and promote land treatment measures for  
3 soil conservation and improvement; and

4 (5) prepare and implement a plan for the control and  
5 management of brush within the district. (Acts 77th Leg., R.S., Ch.  
6 1312, Sec. 14(e).)

7 Source Law

8 (e) The district may:

9 (1) construct, implement, and maintain  
10 best management practices in the district;

11 (2) engage in and promote the acceptance  
12 of best management practices through education efforts  
13 sponsored by the district;

14 (3) include the construction and  
15 maintenance of terraces and other structures on land  
16 in the district;

17 (4) engage in and promote land treatment  
18 measures for soil conservation and improvement; and

19 (5) prepare and implement a plan for the  
20 control and management of brush within the district.

21 Revised Law

22 Sec. 8870.105. LIMITATIONS ON DISTRICT POWERS. The  
23 district may not:

24 (1) sell, donate, lease, or otherwise grant rights in  
25 or to underground water located in the district unless the action  
26 has been approved by a majority vote of district residents; or

27 (2) enter into any contract or engage in any action to  
28 purchase, sell, transport, and distribute surface water or  
29 groundwater for any purpose other than a program for aquifer  
30 storage and recovery of water. (Acts 77th Leg., R.S., Ch. 1312,  
31 Sec. 15(a) (part).)

32 Source Law

33 Sec 15. (a) The district may not:

34 (1) sell, donate, lease, or otherwise  
35 grant rights in or to underground water located in the  
36 district unless the action has been approved by a  
37 majority vote of the residents of the district;

38 (2) enter into any contract or engage in  
39 any action to purchase, sell, transport, and  
40 distribute surface water or groundwater for any  
41 purpose other than a program for aquifer storage and  
42 recovery of water;

43 . . .

44 [Sections 8870.106-8870.150 reserved for expansion]

1 SUBCHAPTER D. FINANCIAL PROVISIONS

2 Revised Law

3 Sec. 8870.151. MAINTENANCE AND OPERATION TAX. (a) Except  
4 as provided by Subsection (b), the board may impose a maintenance  
5 and operation tax if the tax is approved by a majority of the  
6 qualified voters voting at an election called and held for that  
7 purpose in the manner provided by Section 36.201, Water Code.

8 (b) If the district imposes a fee under Section 8870.153,  
9 the district may not impose a tax under this section. (Acts 77th  
10 Leg., R.S., Ch. 1312, Secs. 13(a), (i) (part).)

11 Source Law

12 Sec. 13. (a) Except as provided by Subsection  
13 (i) of this section, the board may impose an operation  
14 and maintenance tax if approved by a majority of the  
15 qualified voters voting at an election called and held  
16 for that purpose in the manner provided by Section  
17 36.201, Water Code.

18 (i) . . . If the district imposes a fee under  
19 this section, the district may not impose a tax.

20 Revised Law

21 Sec. 8870.152. LIMITATION ON TAXES; PROHIBITED TAXES AND  
22 FEES. (a) The district may not assess an ad valorem tax for  
23 administrative, operation, and maintenance expenses in excess of  
24 three cents for each \$100 valuation.

25 (b) The district may not impose a tax on or charge a fee to  
26 any person in the district who does not obtain water from the  
27 Trinity Aquifer.

28 (c) The district may not impose a fee or tax on:

29 (1) a municipality that has held an election under  
30 Section 8870.006 or its predecessor statute, Section 19, Chapter  
31 1312, Acts of the 77th Legislature, Regular Session, 2001, and  
32 obtains at least 50 percent of its annual water supply from a source  
33 other than the Trinity Aquifer;

34 (2) a municipally owned utility, as defined by Section  
35 13.002, Water Code, of a municipality described by Subdivision (1);  
36 or

37 (3) a resident of or other water user within a

1 municipality described by Subdivision (1), whose sole source of  
2 water is the municipality or the municipally owned utility of the  
3 municipality. (Acts 77th Leg., R.S., Ch. 1312, Secs. 15(a) (part),  
4 17.)

5 Source Law

6 (a) The district may not:

7  
8 (3) assess an ad valorem property tax for  
9 administrative, operation, and maintenance expenses  
10 in excess of three cents for each \$100 valuation; or

11 (4) impose a tax on or charge a fee to any  
12 person in the district who does not obtain water from  
13 the Trinity Aquifer.

14 Sec. 17. The district may not impose a fee or  
15 tax on:

16 (1) a municipality that has held an  
17 election under Section 19 of this Act and obtains at  
18 least 50 percent of its annual water supply from a  
19 source other than the Trinity Aquifer;

20 (2) a municipally owned utility, as  
21 defined by Section 13.002, Water Code, of a  
22 municipality described by Subdivision (1) of this  
23 section; or

24 (3) a resident of or other water user  
25 within a municipality described by Subdivision (1) of  
26 this section, whose sole source of water is the  
27 municipality or the municipally owned utility of the  
28 municipality.

29 Revisor's Note

30 Section 15(b), Chapter 1312, Acts of the 77th  
31 Legislature, Regular Session, 2001, provides that  
32 "person," for the purpose of Section 15(a)(4) of that  
33 act, has the meaning assigned by Section 311.005,  
34 Government Code (Code Construction Act). The revised  
35 law omits that provision because Section 311.005,  
36 Government Code, applies to the revised law by its own  
37 terms. The omitted law reads:

38 (b) In this section, "person" has the  
39 meaning assigned by Section 311.005,  
40 Government Code.

41 Revised Law

42 Sec. 8870.153. FEES. (a) Except as provided by Subsection  
43 (g), the board may impose fees on each nonexempt well in the  
44 district.

45 (b) A fee may be assessed annually, based on:

46 (1) the size of column pipe used in the well;



1 (e) To secure payment of a fee imposed under  
2 this section, a lien attaches to the property on which  
3 the well is located. The lien has the same priority  
4 and characteristics as a lien for district taxes. The  
5 district may use the lien and all other powers that it  
6 possesses to collect the payment of the fee.

7 (i) If the district imposes a tax under this  
8 section, the district may not impose a fee. . . .

9 Revised Law

10 Sec. 8870.154. RECHARGE CREDITS. The board shall adopt  
11 rules regarding the issuance of appropriate recharge credits to  
12 persons in the district who:

13 (1) pay taxes or fees to the district; and

14 (2) enhance, supplement, improve, or prevent  
15 pollution of recharge of the Trinity Aquifer. (Acts 77th Leg.,  
16 R.S., Ch. 1312, Sec. 13(c) (part).)

17 Source Law

18 (c) . . . Not later than December 1, 2003, the  
19 board shall adopt rules issuing appropriate recharge  
20 credits to persons in the district who pay fees or  
21 taxes to the district and who enhance, supplement,  
22 improve, or prevent pollution of recharge of the  
23 Trinity Aquifer.

24 Revisor's Note

25 Section 13(c), Chapter 1312, Acts of the 77th  
26 Legislature, Regular Session, 2001, requires the board  
27 to adopt rules regarding recharge credits not later  
28 than December 1, 2003. The revised law omits the  
29 reference to that date as executed.

30 Revised Law

31 Sec. 8870.155. USE OF DISTRICT FUNDS. (a) The district  
32 may use a tax collected under Section 8870.151 or a fee collected  
33 under Section 8870.153 to pay for the district's management and  
34 operation and to pay all or part of the principal of and interest on  
35 district bonds or notes.

36 (b) The board shall use a tax collected under Section  
37 8870.151 or a fee collected under Section 8870.153 to pay for:

38 (1) studies and planning required to develop a  
39 scientifically based regulatory program;

40 (2) soil and water conservation measures, including

1 water-retarding structures and brush management and the  
2 implementation of other best management practices to address  
3 natural resource concerns in the district;

4 (3) direct installation of water conservation devices  
5 and early retirement of older devices;

6 (4) educational material relating to soil and water  
7 conservation; and

8 (5) enforcement programs or regulatory programs.

9 (c) The district may spend a tax collected under Section  
10 8870.151 or a fee collected under Section 8870.153 for the purposes  
11 described by Subsection (b)(2) independently or in conjunction with  
12 other natural resource programs in the district. (Acts 77th Leg.,  
13 R.S., Ch. 1312, Secs. 13(f), (g), (h).)

14 Source Law

15 (f) The district may use fees or taxes collected  
16 under this section to pay for the district's management  
17 and operation and to pay all or part of the principal  
18 of and interest on district bonds or notes.

19 (g) The board shall use fees or taxes collected  
20 under this section to pay for:

21 (1) studies and planning required to  
22 develop a scientifically based regulatory program;

23 (2) soil and water conservation measures,  
24 including water-retarding structures and brush  
25 management and the implementation of other best  
26 management practices to address natural resource  
27 concerns in the district;

28 (3) direct installation of water  
29 conservation devices and early retirement of older  
30 devices;

31 (4) educational material relating to soil  
32 and water conservation; and

33 (5) enforcement programs or regulatory  
34 programs.

35 (h) The district may spend fees or taxes for the  
36 purposes described by Subsection (g)(2) of this  
37 section independently or in conjunction with other  
38 natural resource programs in the district.

39 Revisor's Note

40 (End of Subchapter)

41 Section 18, Chapter 1312, Acts of the 77th  
42 Legislature, Regular Session, 2001, prohibits the  
43 district from issuing bonds before September 1, 2004.  
44 The revised law omits that provision because the  
45 prohibition has expired by its own terms. The omitted  
46 law reads:

1                   Sec. 18. The district may not issue  
2                   bonds before September 1, 2004.

3                                   Revisor's Note  
4                                   (End of Chapter)

5                   (1) Section 20, Chapter 1312, Acts of the 77th  
6                   Legislature, Regular Session, 2001; Section 2, Chapter  
7                   1322, Acts of the 79th Legislature, Regular Session,  
8                   2005; and Section 4, Chapter 381, Acts of the 81st  
9                   Legislature, Regular Session, 2009, recite  
10                  legislative findings regarding procedural  
11                  requirements for legislation affecting the district,  
12                  including proper legal notice and the filing of  
13                  recommendations. The revised law omits those  
14                  provisions as executed. The omitted law reads:

15                               [Acts 77th Leg., R.S., Ch. 1312]

16                   Sec. 20. (a) The proper and legal  
17                   notice of the intention to introduce this  
18                   Act, setting forth the general substance of  
19                   this Act, has been published as provided by  
20                   law, and the notice and a copy of this Act  
21                   have been furnished to all persons,  
22                   agencies, officials, or entities to which  
23                   they are required to be furnished by the  
24                   constitution and other laws of this state,  
25                   including the governor, who has submitted  
26                   the notice and Act to the commission.

27                   (b) The commission has filed its  
28                   recommendations relating to this Act with  
29                   the governor, lieutenant governor, and  
30                   speaker of the house of representatives  
31                   within the required time.

32                   (c) All requirements of the  
33                   constitution and laws of this state and the  
34                   rules and procedures of the legislature  
35                   with respect to the notice, introduction,  
36                   and passage of this Act are fulfilled and  
37                   accomplished.

38                               [Acts 79th Leg., R.S., Ch. 1322]

39                   Sec. 2. (a) The legal notice of the  
40                   intention to introduce this Act, setting  
41                   forth the general substance of this Act, has  
42                   been published as provided by law, and the  
43                   notice and a copy of this Act have been  
44                   furnished to all persons, agencies,  
45                   officials, or entities to which they are  
46                   required to be furnished under Section 59,  
47                   Article XVI, Texas Constitution, and  
48                   Chapter 313, Government Code.

49                   (b) The governor has submitted the  
50                   notice and Act to the Texas Commission on  
51                   Environmental Quality.

52                   (c) The Texas Commission on  
53                   Environmental Quality has filed its  
54                   recommendations relating to this Act with  
55                   the governor, lieutenant governor, and  
56                   speaker of the house of representatives

1 within the required time.

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

8 [Acts 81st Leg., R.S., Ch. 381]

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

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

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

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

35 (2) Section 3, Chapter 381, Acts of the 81st  
36 Legislature, Regular Session, 2009, validates certain  
37 actions of the district taken before June 19, 2009.  
38 The revised law omits that section because it served  
39 its purposes on the day it took effect and is executed  
40 law. Section 311.031(a)(2), Government Code (Code  
41 Construction Act), provides that the repeal of a  
42 statute does not affect any validation previously made  
43 under the statute. Therefore, the omission of the  
44 executed validation provision does not affect the  
45 validation. The omitted law reads:

46 Sec. 3. (a) All governmental acts  
47 and proceedings of the Trinity Glen Rose  
48 Groundwater Conservation District relating  
49 to the annexation of territory to the  
50 municipality or to the district that were  
51 taken before the effective date of this Act  
52 are validated, ratified, and confirmed in  
53 all respects as if they had been taken as  
54 authorized by law.

55 (b) This section does not apply to  
56 any matter that on the effective date of



1 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

2 Sec. 9013.201. TAX METHOD . . . . . 1308

3 Sec. 9013.202. HEARING ON CHANGE IN METHOD OF

4 TAXATION; LIMITATION . . . . . 1309

5 Sec. 9013.203. PROJECTS EXEMPT FROM ASSESSMENT OR

6 TAXATION . . . . . 1310

7 Sec. 9013.204. MAINTENANCE TAX ELECTION PROCEDURES . . . . . 1310

8 Sec. 9013.205. MAINTENANCE TAX RATE . . . . . 1311

9 Sec. 9013.206. USE OF MAINTENANCE TAX PROCEEDS . . . . . 1311

10 Sec. 9013.207. APPROVAL OF AND FUNDING FOR CERTAIN

11 PLANS FOR WORKS AND IMPROVEMENTS . . . . . 1312

12 [Sections 9013.208-9013.250 reserved for expansion]

13 SUBCHAPTER F. BONDS

14 Sec. 9013.251. ISSUANCE OF BONDS . . . . . 1314

15 Sec. 9013.252. FAILED BOND ELECTION . . . . . 1315

16 Sec. 9013.253. BONDS EXEMPT FROM TAXATION . . . . . 1316

17 CHAPTER 9013. BELL COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT

18 NO. 6

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Revised Law

21 Sec. 9013.001. DEFINITIONS. In this chapter:

- 22 (1) "Board" means the district's board of directors.
- 23 (2) "Director" means a board member.
- 24 (3) "District" means the Bell County Water Control and

25 Improvement District No. 6. (Acts 55th Leg., 1st C.S., Ch. 18, Sec.  
26 1 (part); New.)

27 Source Law

28 Sec. 1. . . . [a conservation and reclamation  
29 district] to be known as Bell County Water Control and  
30 Improvement District #6, . . . .

31 Revisor's Note

32 The definitions of "board" and "director" are  
33 added to the revised law for drafting convenience and  
34 to eliminate frequent, unnecessary repetition of the  
35 substance of the definitions. Although Chapter 18,

1 Acts of the 55th Legislature, 1st Called Session,  
2 1957, refers to the district as the "authority,"  
3 throughout this chapter the revised law uses the term  
4 "district" rather than "authority" to more closely  
5 conform to the name of the district.

6 Revised Law

7 Sec. 9013.002. NATURE OF DISTRICT. The district is a  
8 conservation and reclamation district in Bell County. (Acts 55th  
9 Leg., 1st C.S., Ch. 18, Sec. 1 (part).)

10 Source Law

11 Sec. 1. There is hereby created within the State  
12 of Texas, a conservation and reclamation district  
13 . . . which shall include and consist of portions of  
14 the County of Bell . . . .

15 Revisor's Note

16 (1) Section 1, Chapter 18, Acts of the 55th  
17 Legislature, 1st Called Session, 1957, provides that  
18 the district is "hereby created." The revised law  
19 omits the quoted language as executed.

20 (2) Section 1, Chapter 18, Acts of the 55th  
21 Legislature, 1st Called Session, 1957, states that the  
22 district is being created "within the State of Texas."  
23 The revised law omits the quoted language because the  
24 legislature does not have the authority to create a  
25 district outside Texas.

26 (3) Section 1, Chapter 18, Acts of the 55th  
27 Legislature, 1st Called Session, 1957, provides that  
28 the district is a "governmental agency and body  
29 politic." The revised law omits the quoted language  
30 because it duplicates a portion of Section 59(b),  
31 Article XVI, Texas Constitution, which provides that a  
32 conservation and reclamation district is a  
33 governmental agency and body politic. The omitted law  
34 reads:

35 Sec. 1. . . . The Authority is hereby  
36 declared to be a governmental agency and  
37 body politic . . . .



1 the "boundaries of the District."

2 Revised Law

3 Sec. 9013.004. APPLICABILITY OF WATER CONTROL AND  
4 IMPROVEMENT DISTRICTS LAW. Except as provided in this chapter,  
5 general laws pertaining to water control and improvement districts  
6 govern the district. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 13.)

7 Source Law

8 Sec. 13. Except as modified or supplemented by  
9 the provisions of this Act all laws or parts of law now  
10 in effect or hereafter adopted, as well as those  
11 amendatory or supplemental to the general laws  
12 pertaining to water control and improvement districts  
13 are adopted by reference as though set out at length  
14 herein, and such laws shall govern the Authority and  
15 subordinate districts.

16 Revisor's Note

17 (1) Section 13, Chapter 18, Acts of the 55th  
18 Legislature, 1st Called Session, 1957, refers to  
19 certain laws that govern the district, including laws  
20 "now in effect . . . , as well as those amendatory or  
21 supplemental." The revised law omits the quoted  
22 language because under Section 311.027, Government  
23 Code (Code Construction Act), unless expressly  
24 provided otherwise, a reference to a statute applies  
25 to all reenactments, revisions, or amendments of the  
26 statute.

27 (2) Section 13, Chapter 18, Acts of the 55th  
28 Legislature, 1st Called Session, 1957, refers to  
29 certain laws that govern the district, including laws  
30 "hereafter adopted." The revised law omits the quoted  
31 language because a law that applies to or governs the  
32 district applies on its own terms.

33 (3) Section 13, Chapter 18, Acts of the 55th  
34 Legislature, 1st Called Session, 1957, refers to laws  
35 that "are adopted by reference as though set out at  
36 length herein." The revised law omits the quoted  
37 language because a law that applies to or governs the  
38 district applies on its own terms without needing to be

1 adopted by reference.

2 (4) Section 13, Chapter 18, Acts of the 55th  
3 Legislature, 1st Called Session, 1957, refers to the  
4 general laws that govern the district and "subordinate  
5 districts." Section 6, Chapter 18, Acts of the 55th  
6 Legislature, 1st Called Session, 1957, provided a  
7 temporary procedure to create subordinate districts in  
8 the district. Section 3, Chapter 300, Acts of the 57th  
9 Legislature, Regular Session, 1961, amended Section 6  
10 and eliminated that procedure. Throughout this  
11 chapter, the revised law omits "subordinate districts"  
12 because the district did not create any subordinate  
13 districts under Section 6.

14 [Sections 9013.005-9013.050 reserved for expansion]

15 SUBCHAPTER B. DISTRICT TERRITORY

16 Revised Law

17 Sec. 9013.051. DISTRICT TERRITORY. (a) The district is  
18 composed of the territory described by Section 2, Chapter 18, Acts  
19 of the 55th Legislature, 1st Called Session, 1957, as amended by  
20 Section 1, Chapter 300, Acts of the 57th Legislature, Regular  
21 Session, 1961, as that territory may have been modified under:

- 22 (1) Subchapter O, Chapter 51, Water Code;  
23 (2) Subchapter J, Chapter 49, Water Code; or  
24 (3) other law.

25 (b) The boundaries and field notes of the district form a  
26 closure. A mistake in the field notes or in copying the field notes  
27 in the legislative process does not affect:

- 28 (1) the district's organization, existence, or  
29 validity;  
30 (2) the district's right to issue bonds or to pay the  
31 principal of and interest on the bonds;  
32 (3) the district's right to impose a tax; or  
33 (4) the legality or operation of the district or its  
34 governing body. (Acts 55th Leg., 1st C.S., Ch. 18, Secs. 1 (part),

1 2 (part); New.)

2 Source Law

3 Sec. 1. . . . [a conservation and reclamation  
4 district . . . which shall include and consist of  
5 portions of the County of Bell] described and  
6 contained within the metes and bounds set forth in  
7 Section 2 of this Act. . . .

8 Sec. 2. . . . It is determined and found by the  
9 Legislature that the boundaries and field notes of  
10 said District form a closure, and if any mistake is  
11 made in copying the field notes in the legislative  
12 process, or otherwise a mistake is made in the field  
13 notes, it shall in no way or manner affect the  
14 organization, existence and validity of said District,  
15 and the right of said District to issue bonds or  
16 refunding bonds, or to pay the principal and/or  
17 interest thereon, and the right to assess, levy and  
18 collect taxes, or in any manner affect the legality or  
19 operation of said District or its governing body.

20 Revisor's Note

21 (1) The revision of the law governing the  
22 district does not revise the statutory language  
23 describing the territory of the district to avoid the  
24 lengthy recitation of the description and because that  
25 description may not be accurate on the effective date  
26 of the revision or at the time of a later reading. For  
27 the reader's convenience, the revised law includes a  
28 reference to the statutory description of the  
29 district's territory and references to statutory  
30 authority to change the district's territory under  
31 Subchapter O, Chapter 51, Water Code, applicable to  
32 water control and improvement districts, and under  
33 Subchapter J, Chapter 49, Water Code, applicable to  
34 the district under Sections 49.001 and 49.002 of that  
35 chapter. The revised law also includes a reference to  
36 the general authority of the legislature to enact a law  
37 to change the district's territory.

38 (2) Section 2, Chapter 18, Acts of the 55th  
39 Legislature, 1st Called Session, 1957, provides that a  
40 mistake in the description of the district boundaries  
41 does not affect the right of the district to issue  
42 "bonds or refunding bonds." The revised law omits

1 "refunding bonds" because refunding bonds are included  
2 in the meaning of "bonds."

3 (3) Section 2, Chapter 18, Acts of the 55th  
4 Legislature, 1st Called Session, 1957, refers to the  
5 district's authority to "assess, levy and collect"  
6 taxes. The revised law substitutes "impose" for  
7 "assess, levy and collect" because "impose" is the  
8 term generally used in Title 1, Tax Code, and includes  
9 the assessment, levy, or collection of a tax.

10 Revised Law

11 Sec. 9013.052. HEARINGS FOR EXCLUSION OF TERRITORY. A  
12 hearing may not be held to determine whether to exclude property  
13 included in the district. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 6  
14 (part).)

15 Source Law

16 Sec. 6. . . . no hearing shall be held to  
17 determine whether any lands or property included  
18 within the boundaries of the District should be  
19 excluded. . . .

20 Revisor's Note

21 Section 6, Chapter 18, Acts of the 55th  
22 Legislature, 1st Called Session, 1957, refers to  
23 "lands or property" included in the district. The  
24 revised law omits "lands" because "lands" is included  
25 in the meaning of "property."

26 [Sections 9013.053-9013.100 reserved for expansion]

27 SUBCHAPTER C. BOARD OF DIRECTORS

28 Revised Law

29 Sec. 9013.101. COMPOSITION OF BOARD. The board consists of  
30 six elected directors. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 14  
31 (part).)

32 Source Law

33 Sec. 14. The Board of Directors of the Authority  
34 shall be comprised of six persons. . . . A directors'  
35 election shall be held . . . to elect the appropriate  
36 number of directors. . . .

1 Revised Law

2 Sec. 9013.102. ELIGIBILITY. (a) Each director of the  
3 district must:

4 (1) be a landowner within the district; and

5 (2) reside in Bell County.

6 (b) A director who fails to meet the requirements of this  
7 section during the director's tenure in office shall vacate that  
8 office. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 14 (part).)

9 Source Law

10 Sec. 14. . . . The directors of the Authority or  
11 of any subordinate district shall be landowners within  
12 the Authority and reside within Bell county and shall  
13 retain such status during their tenure in office or  
14 vacate such office.

15 Revised Law

16 Sec. 9013.103. DIRECTOR'S BOND. Each director shall give a  
17 bond in the amount of \$1,000 for the faithful performance of the  
18 director's duties. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 9  
19 (part).)

20 Source Law

21 Sec. 9. Directors of the District . . . each  
22 shall give bond in the amount of One Thousand Dollars  
23 (\$1,000) for the faithful performance of his duties,  
24 . . . .

25 Revisor's Note

26 (1) Section 9, Chapter 18, Acts of the 55th  
27 Legislature, 1st Called Session, 1957, requires each  
28 director to subscribe to the constitutional oath of  
29 office. The revised law omits that provision because  
30 Section 1, Article XVI, Texas Constitution, requires  
31 all officers to take the oath (or affirmation) before  
32 assuming office. The omitted law reads:

33 Sec. 9. [Directors of the District]  
34 shall subscribe to the constitutional oath  
35 of office, and . . . .

36 (2) Section 9, Chapter 18, Acts of the 55th  
37 Legislature, 1st Called Session, 1957, requires the  
38 district to pay the cost of a director's bond. The  
39 revised law omits that provision because it

1 duplicates, in substance, Section 49.055(c), Water  
2 Code. Throughout this chapter, the revised law omits  
3 law that is superseded by Chapter 49, Water Code, or  
4 that duplicates law contained in that chapter.  
5 Chapter 49 applies to the district under Sections  
6 49.001 and 49.002, Water Code. The omitted law reads:

7           Sec. 9. [Directors] . . . [shall  
8           give bond] . . . the cost of which shall be  
9           paid by the District. . . .

10                           Revised Law

11           Sec. 9013.104. FAILURE TO ELECT DIRECTORS. Failure to call  
12 a director election does not affect the legal status of the  
13 district, the board, a director, or the right of the board to act or  
14 function, and the directors continue to serve as provided by  
15 Section 17, Article XVI, Texas Constitution. (Acts 55th Leg., 1st  
16 C.S., Ch. 18, Sec. 9 (part).)

17                           Source Law

18           Sec. 9. . . . Failure to call an election for  
19 directors will in no way affect the legal status of the  
20 District or the Board of Directors or the individual  
21 directors or the right of said Board of Directors to  
22 act or function and the directors shall serve until an  
23 election is held under the provisions of this law and  
24 the succeeding directors have been duly elected or  
25 appointed and have duly qualified. . . .

26                           Revisor's Note

27           (1) Section 9, Chapter 18, Acts of the 55th  
28 Legislature, 1st Called Session, 1957, refers to an  
29 election held "under the provisions of this law." The  
30 revised law omits the quoted language because Chapter  
31 49, Water Code, governs director elections under this  
32 chapter.

33           (2) Section 9, Chapter 18, Acts of the 55th  
34 Legislature, 1st Called Session, 1957, provides that a  
35 director serves "until an election is held . . . and  
36 the succeeding directors have been duly elected or  
37 appointed and have duly qualified." The revised law  
38 omits the reference to the succeeding directors being  
39 elected or appointed as unnecessary because a director

1 cannot qualify for office until the director is  
2 elected or appointed to that office. In addition, for  
3 the convenience of the reader, the revised law  
4 substitutes a reference to a director continuing to  
5 serve as provided by Section 17, Article XVI, Texas  
6 Constitution, for the reference to the director  
7 serving until the successor has qualified because  
8 Section 17, Article XVI, duplicates that reference in  
9 substance.

10 Revisor's Note  
11 (End of Subchapter)

12 (1) Section 9, Chapter 18, Acts of the 55th  
13 Legislature, 1st Called Session, 1957, provides that a  
14 majority of directors constitutes a quorum. The  
15 revised law omits that provision because it duplicates  
16 Section 49.053, Water Code. The omitted law reads:

17 Sec. 9. . . . A majority of the  
18 directors shall constitute a quorum. . . .

19 (2) Section 9, Chapter 18, Acts of the 55th  
20 Legislature, 1st Called Session, 1957, provides that a  
21 director serves until the director's successor has  
22 been elected or appointed and has qualified. The  
23 revised law omits that provision because Section 17,  
24 Article XVI, Texas Constitution, requires an officer  
25 to continue to perform the officer's duties until a  
26 successor has qualified. The omitted law reads:

27 Sec. 9. . . . Each director shall  
28 serve until his successor has been duly  
29 elected or appointed and has duly  
30 qualified. . . .

31 (3) Section 9, Chapter 18, Acts of the 55th  
32 Legislature, 1st Called Session, 1957, describes the  
33 procedure for filling a board vacancy. The revised law  
34 omits that provision because it duplicates, in  
35 substance, Section 49.105, Water Code. The omitted  
36 law reads:

37 Sec. 9. . . . Any vacancy occurring

1 in the Board of Directors shall be filled  
2 for the unexpired term by a majority of the  
3 remaining directors. . . .

4 (4) Section 14, Chapter 18, Acts of the 55th  
5 Legislature, 1st Called Session, 1957, states that a  
6 director serves a four-year term. The revised law  
7 omits the provision because it duplicates Section  
8 49.103(a), Water Code. The omitted law reads:

9 Sec. 14. . . . Members of the Board  
10 of Directors of the Authority serve for  
11 four-year terms. . . .

12 (5) Section 14, Chapter 18, Acts of the 55th  
13 Legislature, 1st Called Session, 1957, provides that  
14 director elections shall be held "on the first  
15 Saturday in April" of each even-numbered year. The  
16 revised law omits that provision as superseded by  
17 Section 49.103(b), Water Code, enacted in 1995 and  
18 amended in 2001 and 2005. That section requires  
19 elections of boards to be held on the uniform election  
20 date established by the Election Code in May of each  
21 even-numbered year. In addition, Chapter 1318, Acts  
22 of the 82nd Legislature, Regular Session, 2011,  
23 amended Section 41.0052, Election Code, to allow a  
24 political subdivision to change the date of its  
25 general election for officers to another uniform date.  
26 The omitted law reads:

27 Sec. 14. . . . [A directors' election  
28 shall be held] on the first Saturday in  
29 April in each even-numbered year [to elect  
30 the appropriate number of directors.] . . .

31 (6) Section 14, Chapter 18, Acts of the 55th  
32 Legislature, 1st Called Session, 1957, states that  
33 "[e]xcept as provided by this section" a director  
34 election is held "as provided by Chapter 51, Water  
35 Code, and the Texas Election Code." Chapter 51 retains  
36 some provisions concerning director elections (see  
37 Sections 51.0731, 51.0732, and 51.076), but Section  
38 51.073, the main section on director elections, was

1 repealed by Chapter 715, Acts of the 74th Legislature,  
2 Regular Session, 1995, which enacted Chapter 49, Water  
3 Code, as the general law applicable to most water  
4 districts. Sections 49.102 through 49.104, Water  
5 Code, apply to the district's director elections and  
6 provide sufficient authority on their own terms. The  
7 revised law therefore omits the reference to Chapter  
8 49. Similarly, the revised law omits the reference to  
9 the Election Code because that code provides  
10 sufficient authority for its applicability. Finally,  
11 the revised law omits the phrase "[e]xcept as provided  
12 by this section" because an exception to the  
13 application of Chapter 51, Water Code, or the Election  
14 Code would apply by its own terms. The omitted law  
15 reads:

16           Sec. 14. . . . Except as provided by  
17 this section, a directors' election is  
18 called and held as provided by Chapter 51,  
19 Water Code, and the Texas Election Code.  
20 . . .

21           (7) Section 2, Chapter 1056, Acts of the 68th  
22 Legislature, Regular Session, 1983, provides for the  
23 initial terms for directors elected in April of 1984,  
24 1985, and 1986. The revised law omits that provision  
25 as executed. The omitted law reads:

26           Sec. 2. (a) The three directors  
27 elected at the directors' election in April,  
28 1984, shall serve for four-year terms.  
29           (b) The directors' election  
30 scheduled before the effective date of this  
31 Act to be held in April, 1985, must be held,  
32 and directors elected to fill the three  
33 directors' positions shall serve until the  
34 directors are elected to fill those  
35 positions in April, 1986. An election shall  
36 be held on the first Saturday in April,  
37 1986, to elect three directors. Directors  
38 elected at the election in 1986 serve for  
39 four-year terms.

40 [Sections 9013.105-9013.150 reserved for expansion]

41           SUBCHAPTER D. POWERS AND DUTIES

42                           Revised Law

43           Sec. 9013.151. GENERAL POWERS. The district may exercise

1 the rights, privileges, and functions provided by this chapter.  
2 (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 1 (part).)

3 Source Law

4 Sec. 1. . . . [The Authority] . . . with the  
5 power to exercise the rights, privileges and functions  
6 hereinafter specified and . . . .

7 Revised Law

8 Sec. 9013.152. WATER CONTROL AND IMPROVEMENT DISTRICT  
9 POWERS. To accomplish a purpose for which the district is created,  
10 the district has the powers conferred by the general laws of this  
11 state on water control and improvement districts, including the  
12 power to:

13 (1) construct, acquire, improve, maintain, and repair  
14 a dam or other structure; and

15 (2) acquire land, easements, equipment, or other  
16 property needed to use, control, and distribute water that may be  
17 impounded, diverted, or controlled by the district. (Acts 55th  
18 Leg., 1st C.S., Ch. 18, Sec. 5.)

19 Source Law

20 Sec. 5. In exercising the power for which the  
21 Authority is created, it shall have all of the  
22 authority conferred by general law upon water control  
23 and improvement districts, including, but not limited  
24 to, the power to construct, acquire, improve, maintain  
25 and repair dams or other structures and the  
26 acquisition of land, easements, properties, or  
27 equipment which may be needed to utilize, control, and  
28 distribute any waters that may be impounded, diverted,  
29 or controlled by the Authority.

30 Revisor's Note

31 Section 5, Chapter 18, Acts of the 55th  
32 Legislature, 1st Called Session, 1957, refers to  
33 authority "including, but not limited to," certain  
34 powers. The revised law omits "but not limited to"  
35 because Section 311.005(13), Government Code (Code  
36 Construction Act), provides that "includes" and  
37 "including" are terms of enlargement and not of  
38 limitation and do not create a presumption that  
39 components not expressed are excluded.

1 Revised Law

2 Sec. 9013.153. CONTROL OF WATER AND FLOODWATER;  
3 RECLAMATION. The district has the power to:

4 (1) control, store, preserve, and distribute the water  
5 and floodwater in the district for the irrigation of arid land,  
6 conservation, preservation, reclamation, and drainage of the lands  
7 in the district;

8 (2) carry out flood prevention measures to prevent  
9 damage to the property in the district; and

10 (3) reclaim lands heretofore damaged because of the  
11 failure to provide the facilities authorized to be constructed  
12 under this chapter. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 4.)

13 Source Law

14 Sec. 4. The Authority shall have and exercise  
15 and is hereby vested with the power to control, store,  
16 preserve and distribute the water and floodwaters  
17 within the area of the Authority for the irrigation of  
18 arid land, conservation, preservation, reclamation,  
19 and drainage of the lands within the Authority, and is  
20 empowered to carry out flood prevention measures to  
21 prevent damage to the land and property within the  
22 Authority, and to reclaim lands heretofore damaged by  
23 reason of the prior failure to provide the facilities  
24 authorized to be constructed under the provisions of  
25 this Act.

26 Revisor's Note

27 (1) Section 4, Chapter 18, Acts of the 55th  
28 Legislature, 1st Called Session, 1957, provides that  
29 the district "shall have and exercise and is hereby  
30 vested with" certain powers. The revised law  
31 substitutes "has" for the quoted language because, in  
32 context, the terms are synonymous and "has" is more  
33 commonly used.

34 (2) Section 4, Chapter 18, Acts of the 55th  
35 Legislature, 1st Called Session, 1957, refers to "land  
36 and property" included in the district. The revised  
37 law omits "land" for the reason stated in the revisor's  
38 note to Section 9013.052 of this chapter.

39 Revised Law

40 Sec. 9013.154. STRUCTURES AND FACILITIES. The district may

1 acquire, construct, improve, repair, maintain, and operate a  
2 structure or facility inside or outside the district. (Acts 55th  
3 Leg., 1st C.S., Ch. 18, Sec. 9 (part).)

4 Source Law

5 Sec. 9. . . . The District shall have the right,  
6 power and authority to acquire, construct, improve,  
7 repair, maintain and operate structures and facilities  
8 within and without the boundaries of the District.  
9 . . .

10 Revisor's Note

11 Section 9, Chapter 18, Acts of the 55th  
12 Legislature, 1st Called Session, 1957, provides that  
13 the district "shall have the right, power and  
14 authority" to take certain actions. The revised law  
15 substitutes "may" for the quoted language because that  
16 term is more concise and is the substantive equivalent  
17 of the quoted language.

18 Revised Law

19 Sec. 9013.155. COST OF RELOCATING OR ALTERING PROPERTY. If  
20 the district's exercise of the power of eminent domain, the power of  
21 relocation, or any other power granted under this chapter makes  
22 necessary the relocating, raising, rerouting, changing the grade,  
23 or altering the construction of a highway, a railroad, an electric  
24 transmission line, a telephone or telegraph property or facility,  
25 or a pipeline, the necessary action shall be accomplished at the  
26 sole expense of the district. (Acts 55th Leg., 1st C.S., Ch. 18,  
27 Sec. 5a.)

28 Source Law

29 Sec. 5a. In the event that the Authority or any  
30 subordinate district thereof, in the exercise of the  
31 power of eminent domain or power of relocation, or any  
32 other power granted hereunder, makes necessary the  
33 relocation, raising, re-routing or changing the grade  
34 of, or altering the construction of any highway,  
35 railroad, electric transmission line, telephone or  
36 telegraph properties and facilities, or pipeline, all  
37 such necessary relocation, raising, re-routing,  
38 changing of grade or alteration of construction shall  
39 be accomplished at the sole expense of the Authority or  
40 such subordinate district thereof.

41 [Sections 9013.156-9013.200 reserved for expansion]

1                   SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

2                                   Revised Law

3           Sec. 9013.201. TAX METHOD. Subject to Section 9013.202,  
4 the district shall use an ad valorem plan of taxation, and the taxes  
5 imposed by the district shall be on an ad valorem basis. (Acts 55th  
6 Leg., 1st C.S., Ch. 18, Sec. 6 (part); New.)

7                                   Source Law

8           Sec. 6. . . . The ad valorem plan of taxation  
9 is hereby adopted for the District and all taxes  
10 hereafter levied by the District shall be on an ad  
11 valorem basis and . . . .

12                                  Revisor's Note

13           (1) Section 6, Chapter 18, Acts of the 55th  
14 Legislature, 1st Called Session, 1957, adopts the ad  
15 valorem tax method for the district. For the reader's  
16 convenience, the revised law adds a reference to  
17 Section 9013.202 of this chapter, which authorizes the  
18 district to change the method of taxation.

19           (2) Section 6, Chapter 18, Acts of the 55th  
20 Legislature, 1st Called Session, 1957, provides that  
21 the ad valorem plan of taxation "is hereby adopted" for  
22 the district. The revised law omits the portion of the  
23 provision relating to the adoption of the ad valorem  
24 plan of taxation as executed.

25           (3) Section 6, Chapter 18, Acts of the 55th  
26 Legislature, 1st Called Session, 1957, refers to "all  
27 taxes hereafter levied." The revised law omits  
28 "hereafter" because Section 311.022, Government Code  
29 (Code Construction Act), provides that a statute  
30 operates prospectively unless expressly made  
31 retrospective.

32           (4) Section 6, Chapter 18, Acts of the 55th  
33 Legislature, 1st Called Session, 1957, provides that a  
34 hearing is not required on a plan of taxation. The  
35 revised law omits this provision as executed because  
36 it refers to the initial adoption of the plan. The





1 required. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 8 (part).)

2 Source Law

3 Sec. 8. . . . The election shall be called and  
4 notice given in the same manner as authorized  
5 hereunder for a bond election, and . . . but nothing  
6 herein shall prevent the calling of subsequent  
7 maintenance tax elections to establish or increase the  
8 amount of the tax should the directors find such  
9 election is required.

10 Revisor's Note

11 Section 8, Chapter 18, Acts of the 55th  
12 Legislature, 1st Called Session, 1957, states that a  
13 maintenance tax election shall be held "in the same  
14 manner as authorized hereunder for a bond election."  
15 The revised law omits "authorized hereunder" because  
16 neither Section 8 nor the rest of the act contains bond  
17 election procedures.

18 Revised Law

19 Sec. 9013.205. MAINTENANCE TAX RATE. In calling a  
20 maintenance tax election, the board must specify the maximum  
21 proposed tax rate. To impose a maintenance tax at a rate that  
22 exceeds the maximum proposed rate approved by the voters, the board  
23 must submit the question of a tax rate increase to the voters.  
24 (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 8 (part).)

25 Source Law

26 Sec. 8. . . . In calling the election, the  
27 directors shall specify the maximum rate of tax which  
28 is sought to be levied, and no tax in excess of that  
29 amount may be levied without submitting the question  
30 of the increased rate of taxation to the electors  
31 hereinabove described. . . .

32 Revisor's Note

33 Section 8, Chapter 18, Acts of the 55th  
34 Legislature, 1st Called Session, 1957, limits the tax  
35 that may be "levied." The revised law substitutes  
36 "impose" for "levied" because, in the context of  
37 taxation, the terms are synonymous and "impose" is  
38 more commonly used.

39 Revised Law

40 Sec. 9013.206. USE OF MAINTENANCE TAX PROCEEDS. (a) The

1 district may spend maintenance tax proceeds for:

2 (1) an easement or right-of-way;

3 (2) any purpose for which a district may spend bond  
4 proceeds; and

5 (3) maintenance and operation purposes.

6 (b) The district may place surplus maintenance tax proceeds  
7 not needed for maintenance purposes into the sinking funds for  
8 outstanding district bonds.

9 (c) The board's determination to spend maintenance tax  
10 proceeds is final and is not subject to judicial review, except on  
11 the grounds of fraud, palpable error, or gross abuse of discretion.  
12 (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 9 (part).)

13 Source Law

14 Sec. 9. . . . The District is authorized to  
15 expend funds collected as maintenance taxes for  
16 easements and rights-of-way and for any of the  
17 purposes for which a District could expend bond  
18 proceeds as well as for maintenance and operation  
19 purposes and the District is authorized to place  
20 surplus maintenance funds not needed for maintenance  
21 purposes into the sinking funds for any outstanding  
22 bonds of the District. The determination by the Board  
23 of Directors of the expenditure of maintenance funds  
24 of the District shall be final and cannot be judicially  
25 reviewed save on the grounds of fraud, palpable error,  
26 or gross abuse of discretion. . . .

27 Revised Law

28 Sec. 9013.207. APPROVAL OF AND FUNDING FOR CERTAIN PLANS  
29 FOR WORKS AND IMPROVEMENTS. (a) In this section, "commission"  
30 means the Texas Commission on Environmental Quality.

31 (b) This section applies only to plans contemplated by the  
32 district for works and improvements, or amendments to the plans,  
33 that are prepared by the Natural Resources Conservation Service of  
34 the United States Department of Agriculture and approved by the  
35 district directors.

36 (c) An engineer's report covering the plans and  
37 improvements to be constructed, and the maps, plats, profiles, and  
38 data fully showing and explaining the plans and improvements, are  
39 not required to be filed in the district office before an election  
40 is held to authorize the issuance of bonds for the works and

1 improvements. The plans and specifications, engineering reports,  
2 profiles, maps, and other data, and subsequent amendments to those  
3 items, are not required to be approved by the commission before the  
4 bonds are issued.

5 (d) Before the district may spend any funds for the  
6 construction of any works and improvements, the commission must  
7 approve the portion of the works and improvements to be  
8 constructed. The commission's advance approval for the entire  
9 project contemplated by the district is not required. The  
10 commission may approve on a separate basis the portion of the entire  
11 project or works and improvements:

- 12 (1) to be constructed at a particular time; and
- 13 (2) on which plans and specifications of the Natural  
14 Resources Conservation Service have been prepared and submitted by  
15 the district to the commission. (Acts 55th Leg., 1st C.S., Ch. 18,  
16 Sec. 9 (part); New.)

17 Source Law

18 Sec. 9. . . . If the plans for works and  
19 improvements or amendments thereto contemplated by the  
20 District are prepared by the Soil Conservation  
21 Service, United States Department of Agriculture, and  
22 approved by the District's directors, it shall not be  
23 necessary for an engineer's report covering the plans  
24 and improvements to be constructed, together with the  
25 maps, plats, profiles and data fully showing and  
26 explaining same, be filed in the office of the District  
27 before an election is held to authorize the issuance of  
28 bonds in connection with such works and improvements  
29 and it shall not be necessary for such plans and  
30 specifications, engineering reports, profiles, maps  
31 and other data, or subsequent amendments thereto, to  
32 be approved by the State Board of Water Engineers prior  
33 to the issuance of such bonds; provided, however, that  
34 before the expenditure of any funds for the  
35 construction of any works and improvements, the  
36 approval of the State Board of Water Engineers shall be  
37 secured for that portion of the works and improvements  
38 to be constructed and it shall not be necessary for  
39 advance approval to be given for the entire project  
40 contemplated by the District, but approval may be  
41 secured or given on a separate or individual basis for  
42 that portion of the entire project or works and  
43 improvements to be constructed at any particular time  
44 and on which plans and specifications of the Soil  
45 Conservation Service, United States Department of  
46 Agriculture, have been prepared and submitted by the  
47 District to the State Board of Water Engineers. . . .

48 Revisor's Note

- 49 (1) The definition of "commission" is added to

1 the revised law for drafting convenience and to  
2 eliminate unnecessary repetition of the substance of  
3 the definition.

4 (2) Section 9, Chapter 18, Acts of the 55th  
5 Legislature, 1st Called Session, 1957, refers to the  
6 "Soil Conservation Service, United States Department  
7 of Agriculture." The Natural Resources Conservation  
8 Service of the United States Department of Agriculture  
9 has succeeded to the relevant functions of the Soil  
10 Conservation Service, and the revised law is drafted  
11 accordingly.

12 (3) Section 9, Chapter 18, Acts of the 55th  
13 Legislature, 1st Called Session, 1957, refers to the  
14 State Board of Water Engineers. The Texas Commission  
15 on Environmental Quality has succeeded to the relevant  
16 functions of the board of water engineers, and the  
17 revised law is drafted accordingly.

18 (4) Section 9, Chapter 18, Acts of the 55th  
19 Legislature, 1st Called Session, 1957, refers to  
20 approval given on a "separate or individual basis."  
21 The revised law omits "individual" because, in this  
22 context, the meaning of that term is included in the  
23 meaning of "separate."

24 [Sections 9013.208-9013.250 reserved for expansion]

#### 25 SUBCHAPTER F. BONDS

##### 26 Revised Law

27 Sec. 9013.251. ISSUANCE OF BONDS. To accomplish a district  
28 purpose, the district may issue bonds as provided by general law for  
29 water control and improvement districts to obtain money necessary  
30 to furnish land or easements or permanent improvements on the land  
31 or easements. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 8 (part).)

##### 32 Source Law

33 Sec. 8. For the accomplishment of any one or  
34 more of the purposes for which the Authority and its  
35 subordinate districts are created or authorized to be  
36 created hereunder, each district and the Authority

1 . . . may issue bonds, in the manner hereinafter  
2 provided, for the purpose of acquiring the funds  
3 necessary to furnish land, easements or permanent  
4 improvements thereon. . . .

5 Revisor's Note

6 Section 8, Chapter 18, Acts of the 55th  
7 Legislature, 1st Called Session, 1957, refers to the  
8 district's power to cooperate with federal entities.  
9 The revised law omits that provision because it  
10 duplicates, in substance, provisions of Section  
11 49.227, Water Code, that provide the district with the  
12 power to act jointly. The omitted law reads:

13 Sec. 8. . . . [each district and the  
14 Authority] shall have the power and are  
15 hereby empowered to cooperate with any  
16 agency, representative, instrumentality,  
17 or department of the Federal Government and  
18 . . . .

19 Revised Law

20 Sec. 9013.252. FAILED BOND ELECTION. (a) A general law,  
21 including Sections 51.781-51.791, Water Code, that provides for  
22 calling a hearing on the dissolution of a district after a failed  
23 district bond election does not apply to the district.

24 (b) The district continues to exist and retain its full  
25 power to function and operate regardless of the outcome of a bond  
26 election. (Acts 55th Leg., 1st C.S., Ch. 18, Sec. 9 (part).)

27 Source Law

28 Sec. 9. . . . The provisions of Article  
29 7880-77b, Vernon's Civil Statutes, or any other  
30 General Law pertaining to the calling of a hearing for  
31 the determination of the dissolution of a district  
32 where a bond election has failed shall be inapplicable  
33 to this District, and this District shall continue to  
34 exist and have full powers to function and operate  
35 regardless of the outcome of any bond election.

36 Revisor's Note

37 Section 9, Chapter 18, Acts of the 55th  
38 Legislature, 1st Called Session, 1957, provides that  
39 Article 7880-77b, Vernon's Texas Civil Statutes, does  
40 not apply to the district. Article 7880-77b was  
41 codified by Chapter 58, Acts of the 62nd Legislature,  
42 Regular Session, 1971, as Sections 51.781-51.792,

1 Water Code, which address the dissolution of a  
2 district before the issuance of bonds. Section  
3 51.792, Water Code, was repealed by Section 85(6),  
4 Chapter 1248, Acts of the 71st Legislature, Regular  
5 Session, 1989. The revised law is drafted  
6 accordingly.

7 Revised Law

8 Sec. 9013.253. BONDS EXEMPT FROM TAXATION. A bond issued  
9 under this chapter, the transfer of the bond, and income from the  
10 bond, including profits made on the sale of the bond, are exempt  
11 from taxation in this state. (Acts 55th Leg., 1st C.S., Ch. 18,  
12 Sec. 3 (part).)

13 Source Law

14 Sec. 3. . . . the bonds issued hereunder and  
15 their transfer and the income therefrom, including the  
16 profits made on the sale thereof, shall at all times be  
17 free from taxation within this state.

18 Revisor's Note  
19 (End of Subchapter)

20 (1) Section 6, Chapter 18, Acts of the 55th  
21 Legislature, 1st Called Session, 1957, lists the  
22 entities for which district bonds are legal  
23 investments and provides that district bonds may  
24 secure deposits of public funds of the state or  
25 political subdivisions. The revised law omits the  
26 provision relating to the eligibility of district  
27 bonds to be considered as investments for various  
28 entities because it duplicates Section 49.186(a),  
29 Water Code. While Section 6 lists "guardians" and  
30 Section 49.186(a), Water Code, does not, the latter  
31 statute includes "fiduciaries," and a guardian is a  
32 fiduciary. The revised law omits the provision  
33 relating to deposits of state funds as impliedly  
34 repealed by Section 404.0221, Government Code (enacted  
35 in 1995), which lists eligible collateral for deposits  
36 of state funds by the comptroller, and by Section

1 404.031, Government Code (enacted in 1985 as Section  
2 3.001, Article 4393-1, Vernon's Texas Civil Statutes),  
3 which provides for the valuation of that collateral.  
4 As to deposits of other funds, the provision is  
5 impliedly repealed by Chapter 2257, Government Code  
6 (enacted in 1989 as Article 2529d, Vernon's Texas Civil  
7 Statutes), which governs eligible collateral for  
8 deposits of funds of other public agencies, including  
9 political subdivisions, and permits those deposits to  
10 be secured by obligations issued by conservation and  
11 reclamation districts. The omitted law reads:

12           Sec. 6. All bonds of the District  
13 shall be and are hereby declared to be legal  
14 and authorized investments for banks,  
15 savings banks, trust companies, building  
16 and loan associations, savings 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. Such  
23 bonds shall be eligible to secure the  
24 deposit of any and all public funds of the  
25 State of Texas, and any and all public funds  
26 of cities, towns, villages, counties,  
27 school districts or other political  
28 corporations or subdivisions of the State  
29 of Texas; and such bonds shall be lawful and  
30 sufficient security for said deposits to  
31 the extent of their par value, when  
32 accompanied by all unmatured interest  
33 coupons appurtenant thereto. . . .

34           (2) Section 8, Chapter 18, Acts of the 55th  
35 Legislature, 1st Called Session, 1957, authorizes the  
36 district to levy a maintenance tax to maintain  
37 structures and improvements if the tax is approved by  
38 the voters. The section also provides that an election  
39 for a maintenance tax may be held at the same time as a  
40 bond election. The revised law omits those provisions  
41 because they duplicate, in substance, Section 49.107,  
42 Water Code. Section 8 also refers to "property tax  
43 paying voters" approving the maintenance tax. The  
44 revised law omits that portion of Section 8 because in  
45 Hill v. Stone, 421 U.S. 289 (1975), the United States

1 Supreme Court held that property ownership as a  
2 qualification for voting is an unconstitutional denial  
3 of equal protection. The omitted law reads:

4 Sec. 8. . . . For the purpose of  
5 maintaining the structures, channeling or  
6 other works of improvements constructed by  
7 the Authority, districts, or others in  
8 cooperation with the Authority or the  
9 districts, the Authority and each of the  
10 individual subordinate districts shall have  
11 the power to levy and assess a maintenance  
12 tax, provided, however, that no such  
13 maintenance tax shall be levied until  
14 approved and authorized by a majority of the  
15 resident qualified property tax paying  
16 voters participating at an election called  
17 for that purpose. . . .

18 [The election] . . . may be held  
19 simultaneously with such bond election  
20 . . . .

21 (3) Section 9, Chapter 18, Acts of the 55th  
22 Legislature, 1st Called Session, 1957, provides that  
23 after approval and registration, district bonds are  
24 incontestable except for forgery, fraud, or  
25 unconstitutionality. The revised law omits that  
26 provision as impliedly repealed by Section 1202.006,  
27 Government Code (enacted as Section 3.002(d), Chapter  
28 53, Acts of the 70th Legislature, 2nd Called Session,  
29 1987). Section 1202.006, Government Code, provides  
30 that after approval and registration, bonds are  
31 incontestable for any reason. Section 1202.006  
32 applies to district bonds by application of Section  
33 1202.001, Government Code. The omitted law reads:

34 Sec. 9. . . . When bonds have been  
35 issued by the District and said bonds have  
36 been approved by the Attorney General of  
37 Texas and registered by the Comptroller of  
38 Public Accounts, said bonds shall be  
39 incontestable for any cause save fraud,  
40 forgery and unconstitutionality. . . .

41 (4) Section 11, Chapter 18, Acts of the 55th  
42 Legislature, 1st Called Session, 1957, authorizes the  
43 district to issue bonds in "addition to" other powers  
44 the district has in specific sections of the act. The  
45 revised law omits the provision as surplus because, as

1 a principle of statutory construction, the various  
2 provisions granting power to the district must be read  
3 cumulatively. The omitted law reads:

4 Sec. 11. In addition to the powers  
5 granted under the provisions of Sections 8,  
6 9 and 10 of this Act, . . . .

7 (5) Sections 11 and 12, Chapter 18, Acts of the  
8 55th Legislature, 1st Called Session, 1957, authorize  
9 the district to issue bonds under general law for water  
10 control and improvement districts. The revised law  
11 omits those provisions because they duplicate general  
12 law. General law, including bond provisions in  
13 Chapters 49 and 51, Water Code, is sufficient on its  
14 own terms. The omitted law reads:

15 Sec. 11. . . . the Authority and the  
16 subordinate districts shall have the power  
17 to issue bonds secured by a pledge of  
18 revenues, taxes or both as provided by  
19 general law for water control and  
20 improvement districts.

21 Sec. 12. All bonds issued by the  
22 Authority or its subordinate districts  
23 shall be issued in the same manner and with  
24 the same terms, upon the same conditions,  
25 and with the same consideration and  
26 provision as under the general law  
27 governing water control and improvement  
28 districts. . . .

29 (6) Section 12, Chapter 18, Acts of the 55th  
30 Legislature, 1st Called Session, 1957, permits the  
31 district to refund bonds. The revised law omits that  
32 language because it duplicates Chapter 1207,  
33 Government Code, which contains general authority for  
34 an issuer to issue refunding securities. That chapter  
35 applies to the district because the district is an  
36 issuer under Section 1207.001, Government Code. The  
37 omitted law reads:

38 Sec. 12. . . . Such bonds may be  
39 refunded as provided by the law adopted in  
40 Section 13.

41 Revisor's Note  
42 (End of Chapter)

43 (1) Sections 6 and 7, Chapter 18, Acts of the

1 55th Legislature, 1st Called Session, 1957, provide  
2 that holding an election or a hearing is unnecessary to  
3 confirm the district's organization. The revised law  
4 omits that language as executed. The omitted law  
5 reads:

6           Sec. 6. . . . No election shall be  
7 necessary for the purpose of confirming the  
8 organization of the District and . . . .

9           Sec. 7. It shall not be necessary for  
10 the Authority to have a hearing . . . for  
11 the confirmation of its organization.

12           (2) Section 7, Chapter 18, Acts of the 55th  
13 Legislature, 1st Called Session, 1957, states that it  
14 is unnecessary for the district to hold a hearing to  
15 exclude land. The revised law omits that provision  
16 because it was impliedly repealed by Section 3,  
17 Chapter 300, Acts of the 57th Legislature, Regular  
18 Session, 1961, which amends Section 6, Chapter 18,  
19 Acts of the 55th Legislature, 1st Called Session,  
20 1957, revised as Section 9013.052 of this chapter.  
21 That provision conflicts with Section 7 by prohibiting  
22 a hearing to exclude territory from the district. The  
23 omitted law reads:

24           Sec. 7. [It shall not be necessary  
25 for the Authority to have a hearing] for  
26 exclusions of land or . . . .

27           (3) Section 9, Chapter 18, Acts of the 55th  
28 Legislature, 1st Called Session, 1957, validates  
29 certain district actions. The revised law omits that  
30 provision because it served its purpose on the day it  
31 took effect and is executed law. Section  
32 311.031(a)(2), Government Code (Code Construction  
33 Act), provides that the repeal of a statute does not  
34 affect any validation previously made under the  
35 statute. Therefore, the omission of the executed  
36 validation provision does not affect the validation.  
37 The omitted law reads:

38           Sec. 9. . . . The District, the Board

1 of Directors of the District, and all  
2 actions of and all contracts made  
3 heretofore by the Board of Directors of the  
4 District, are hereby in all things  
5 ratified, validated and confirmed. . . .

6 (4) Section 15, Chapter 18, Acts of the 55th  
7 Legislature, 1st Called Session, 1957, and Section 5,  
8 Chapter 300, Acts of the 57th Legislature, Regular  
9 Session, 1961, provide that the act is severable. The  
10 revised law omits the provisions because the same  
11 result is produced by application of Section 311.032,  
12 Government Code (Code Construction Act), which  
13 provides that a provision of a statute is severable  
14 from each other provision of the statute that can be  
15 given effect. The omitted law reads:

16 [Acts 55th Leg., 1st C.S., Ch. 18]

17 Sec. 15. If any clause, sentence,  
18 section or provision of this Act is found by  
19 a court of competent jurisdiction to  
20 contravene the provisions of the State or  
21 Federal Constitution, the invalidity of  
22 that portion shall not affect the remainder  
23 of the bill, it being the intention of the  
24 Legislature to enact the provisions herein  
25 contained despite such partial invalidity.

26 [Acts 57th Leg., R.S., Ch. 300]

27 Sec. 5. If any word, phrase, clause,  
28 paragraph, sentence, part, portion or  
29 provision of this Act or the application  
30 thereof to any person or circumstance shall  
31 be held to be invalid or unconstitutional,  
32 the remainder of the Act shall nevertheless  
33 be valid and the Legislature hereby  
34 declares that the Act would have been  
35 enacted without such invalid or  
36 unconstitutional word, phrase, clause,  
37 paragraph, sentence, part, portion or  
38 provision.

39 CHAPTER 9018. BOLING MUNICIPAL WATER DISTRICT

40 SUBCHAPTER A. GENERAL PROVISIONS

41 Sec. 9018.001. DEFINITIONS . . . . . 1322  
42 Sec. 9018.002. NATURE OF DISTRICT . . . . . 1323  
43 Sec. 9018.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 1323

44 [Sections 9018.004-9018.050 reserved for expansion]

45 SUBCHAPTER B. DISTRICT TERRITORY; ANNEXATION AND EXCLUSION

46 Sec. 9018.051. DISTRICT TERRITORY . . . . . 1324  
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1 Sec. 9018.053. PETITION TO CHANGE BOUNDARIES . . . . . 1325

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8           [Sections 9018.059-9018.100 reserved for expansion]

9           SUBCHAPTER C. BOARD OF DIRECTORS

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12           SUBCHAPTER D. POWERS AND DUTIES

13 Sec. 9018.151. WATER CONTROL AND IMPROVEMENT DISTRICT

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15 Sec. 9018.152. COST OF RELOCATING OR ALTERING PROPERTY . . . 1336

16           [Sections 9018.153-9018.200 reserved for expansion]

17           SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

18 Sec. 9018.201. TAX METHOD . . . . . 1336

19           CHAPTER 9018. BOLING MUNICIPAL WATER DISTRICT

20           SUBCHAPTER A. GENERAL PROVISIONS

21                           Revised Law

22           Sec. 9018.001. DEFINITIONS. In this chapter:

23                   (1) "Board" means the district's board of directors.

24                   (2) "District" means the Boling Municipal Water

25 District. (Acts 54th Leg., R.S., Ch. 286, Sec. 1 (part); New.)

26                           Source Law

27                   Sec. 1. . . . [a . . . district] . . . to be

28 known as "Boling Municipal Water District,"

29 hereinafter sometimes referred to as the "District".

30                           Revisor's Note

31                   The definition of "board" is added to the revised

32 law for drafting convenience and to eliminate

33 frequent, unnecessary repetition of the substance of

34 the definition.

1 Revised Law

2 Sec. 9018.002. NATURE OF DISTRICT. The district is:

3 (1) a conservation and reclamation district in Wharton  
4 County under Section 59, Article XVI, Texas Constitution; and

5 (2) a municipal corporation. (Acts 54th Leg., R.S.,  
6 Ch. 286, Secs. 1 (part), 5 (part).)

7 Source Law

8 Sec. 1. Under and pursuant to the provisions of  
9 Article 16, Section 59, of the Constitution, a  
10 conservation and reclamation district is hereby  
11 created and incorporated in Wharton County, Texas,  
12 . . . .

13 Sec. 5. [The Legislature] . . . declares the  
14 District to be a governmental agency, a body politic  
15 and corporate, and a municipal corporation.

16 Revisor's Note

17 (1) Section 1, Chapter 286, Acts of the 54th  
18 Legislature, Regular Session, 1955, refers to the  
19 creation and incorporation of the district. The  
20 revised law omits "created and incorporated" as  
21 executed.

22 (2) Section 5, Chapter 286, Acts of the 54th  
23 Legislature, Regular Session, 1955, refers to the  
24 district as a "governmental agency, a body politic and  
25 corporate." The revised law omits the quoted language  
26 because it duplicates a portion of Section 59(b),  
27 Article XVI, Texas Constitution, which provides that a  
28 conservation and reclamation district is a  
29 governmental agency and a body politic and corporate.

30 Revised Law

31 Sec. 9018.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
32 The district is created to serve a public use and benefit.

33 (b) All land and other property included in the boundaries  
34 of the district will benefit from the creation of the district.

35 (c) The creation of the district is essential to accomplish  
36 the purpose of Section 59, Article XVI, Texas Constitution. (Acts  
37 54th Leg., R.S., Ch. 286, Secs. 4 (part), 5 (part).)



1 the reader's convenience, the revised law includes a  
2 reference to the statutory description of the  
3 district's territory and references to statutory  
4 authority to change the district's territory under  
5 Section 4(a) of the district's enabling legislation,  
6 under Subchapter O, Chapter 51, Water Code, applicable  
7 to water control and improvement districts, and under  
8 Subchapter J, Chapter 49, Water Code, applicable to  
9 the district under Sections 49.001 and 49.002 of that  
10 chapter. The revised law also includes a reference to  
11 the general authority of the legislature to enact a law  
12 to change the district's territory.

13 Revised Law

14 Sec. 9018.052. AUTHORITY TO ANNEX OR EXCLUDE TERRITORY.  
15 Defined areas of territory not included in the territory described  
16 by Section 1, Chapter 286, Acts of the 54th Legislature, Regular  
17 Session, 1955, may be added to the district, and territory included  
18 in the district may be excluded from the district as provided by  
19 this subchapter. (Acts 54th Leg., R.S., Ch. 286, Sec. 4(a) (part).)

20 Source Law

21 Sec. 4(a). Defined areas of territory not  
22 embraced within the description of territory contained  
23 in Section 1 of this Act may be added to the district,  
24 and territory included within the present boundaries  
25 of said district may be excluded from the district in  
26 the following manner:  
27 . . . .

28 Revised Law

29 Sec. 9018.053. PETITION TO CHANGE BOUNDARIES. (a) A  
30 petition for:

31 (1) annexation of territory must be signed by a  
32 majority of the landowners of the territory; and

33 (2) exclusion of territory must be signed by all of the  
34 landowners of the territory sought to be excluded from the  
35 district.

36 (b) The petition must be filed with the board secretary.  
37 (Acts 54th Leg., R.S., Ch. 286, Sec. 4(a), Subsec. (a).)



1 improvements and plans of the district.

2 (b) The order may include all of the land described in the  
3 petition, but if the board finds a modification or change is  
4 necessary, the board shall include only territory that will benefit  
5 and not result in injury to the existing district.

6 (c) The board may condition its findings for the annexation  
7 of territory on the grant of certain petitions for exclusion.

8 (d) An annexation of territory does not become effective  
9 until ratified at an election under Section 9018.057. (Acts 54th  
10 Leg., R.S., Ch. 286, Sec. 4(a), Subsec. (d) (part).)

11 Source Law

12 (d) If upon hearing of such petition it is found  
13 that the proposed addition is to the advantage of the  
14 district, and if no injury would result to the district  
15 and the territory would be benefited by the  
16 improvements and plans of the district, the Board of  
17 Directors shall so find and enter the order of  
18 temporary acceptance upon their minutes. It is  
19 expressly provided that the order may include all of  
20 the land described in the petition but if the Board  
21 finds a modification or change is necessary, the Board  
22 shall include only such territory as will be benefited  
23 and result in no injury to the existing district.

24 . . .  
25 The Board is fully authorized to predicate its  
26 findings for the annexation of territory upon  
27 condition that certain petitions for exclusions are  
28 also granted.

29 In no event shall any annexation or . . . become  
30 effective until such boundary changes have been  
31 ratified at the election hereinafter provided.

32 Revised Law

33 Sec. 9018.056. BOARD APPROVAL OF EXCLUSION. (a) The board  
34 may enter an order of temporary exclusion of territory if, on  
35 hearing the petition for exclusion, the board finds that:

36 (1) the territory will not be benefited by the further  
37 improvements planned by the district; and

38 (2) the benefits accorded to the territory to be  
39 excluded by improvements previously authorized by the district do  
40 not have a proportionate relationship to the benefits received by  
41 the remainder of the district.

42 (b) An exclusion of territory does not become effective  
43 until ratified at an election under Section 9018.057. (Acts 54th  
44 Leg., R.S., Ch. 286, Sec. 4(a), Subsec. (d) (part).)



1 exclusion of other territory from the district, the election shall  
2 be held as provided by Subsection (b), except the voters of the  
3 territory to be excluded may not vote in the election.

4 (f) If a separate polling place is required under this  
5 section, a favorable majority of the participating voters at each  
6 polling place is required to assume the debt and approve the  
7 tentative order of the board.

8 (g) The manner of giving notice and holding the election is  
9 the same as provided for confirmation elections under general law  
10 for water control and improvement districts. (Acts 54th Leg.,  
11 R.S., Ch. 286, Sec. 4(a), Subsec. (e).)

12 Source Law

13 (e) Immediately upon the entry of the orders  
14 prescribed in the preceding subsection, the Board  
15 shall enter an order for an election for the purpose of  
16 ratifying the action of the Board by the assumption of  
17 the proportionate share of all obligations theretofore  
18 issued, voted, owed, or contracted for by the  
19 district. The proposition shall be submitted to the  
20 resident qualified property taxpaying voters who have  
21 duly rendered their property for taxation in the  
22 following manner:

23 (1) Where only annexation is provided: A  
24 polling place shall be provided in the area to be  
25 annexed, and a separate polling place shall be  
26 provided in the area of the district.

27 (2) Where only exclusions are to be  
28 approved by the election: The election shall be held  
29 within the area of the district as it will exist if the  
30 area is excluded, and the voters of the area sought to  
31 be excluded shall not participate in the election.

32 (3) Where annexation and exclusions are  
33 simultaneously submitted as separate propositions,  
34 the election shall be held in the same manner as where  
35 only annexation is submitted, but the voters in the  
36 territory sought to be excluded shall vote, in a  
37 separate box, only upon the question of assumption of  
38 debt if the election for their exclusion fails and the  
39 territory to be annexed shall have the right to vote  
40 for assumption of debt conditioned upon exclusion of  
41 such other territory as well as if such territory is  
42 added and the voters within the district shall also  
43 retain and be given such right.

44 (4) Where the Board has conditioned an  
45 annexation upon an exclusion being made, the election  
46 shall be held as where only annexation is provided, and  
47 the voters of the territory to be excluded shall not be  
48 permitted to vote.

49 In such instance where a separate polling place  
50 is required under the provisions of this section, a  
51 favorable majority of the participating resident  
52 qualified voters, hereinabove described, shall be  
53 required at each polling place in order to assume such  
54 debt and thereby approve the tentative order of the  
55 Board as hereinabove provided.

56 The manner of giving notice and holding the

1 election shall be the same as provided for  
2 confirmation elections under general law for water  
3 control and improvement districts.

4 Revisor's Note

5 Subsection (e), Section 4(a), Chapter 286, Acts  
6 of the 54th Legislature, Regular Session, 1955,  
7 provides that the "resident qualified property  
8 taxpaying voters who have duly rendered their property  
9 for taxation" may vote in the ratification election.  
10 The revised law omits the reference to "resident  
11 qualified" voters as unnecessary in this context  
12 because Chapter 11, Election Code, governs eligibility  
13 to vote in an election in this state and allows only  
14 qualified voters who are residents of the territory  
15 covered by the election to vote in an election. The  
16 revised law also omits the reference to voting by  
17 persons who own taxable property and render that  
18 property for taxation because in Hill v. Stone, 421  
19 U.S. 289 (1975), the United States Supreme Court  
20 determined that property ownership as a qualification  
21 for voting is an unconstitutional denial of equal  
22 protection.

23 Revised Law

24 Sec. 9018.058. TAX LIABILITY OF EXCLUDED TERRITORY; BONDS  
25 OUTSTANDING. (a) Territory excluded by an election is not liable  
26 for any obligations voted by the district after the election.

27 (b) The excluded territory remains liable for the payment of  
28 taxes to pay obligations incurred before the exclusion until:

29 (1) all of the holders of outstanding bonds:

30 (A) consent to the release of the excluded  
31 territory; and

32 (B) file the consent in writing with the  
33 secretary of the district; or

34 (2) the obligations are paid or refunded.

35 (c) The territory assuming the obligations is first subject  
36 to taxes for the payment of the obligations. The taxes against the

1 excluded territory are levied only to prevent default on the  
2 obligations, except the district may levy taxes against the  
3 territory to create and maintain a reserve for that contingency.  
4 The reserve may not exceed the proportionate amount, based on tax  
5 valuations, of the average annual principal and interest  
6 requirements on the outstanding obligations.

7 (d) If the bonds are refunded, the resolution must expressly  
8 provide for the release of the excluded territory from the  
9 obligation to pay further taxes. (Acts 54th Leg., R.S., Ch. 286,  
10 Sec. 4(a), Subsec. (f).)

11 Source Law

12 (f) If land is excluded by such election, it  
13 shall not be liable for any obligations thereafter  
14 voted by the district. As to obligations incurred  
15 prior to such exclusion, the excluded territory shall  
16 remain liable for the payment of taxes to pay such  
17 obligations unless and until all of the holders of  
18 outstanding bonds consent to the release of such  
19 territory (and file such consent in writing with the  
20 secretary of the district) or until such obligations  
21 are paid or refunded. If the bonds are refunded, the  
22 resolution shall expressly provide for the release of  
23 such territory from the obligation to pay further  
24 taxes. It is further provided that the territory  
25 assuming the obligations shall be first subjected to  
26 taxes for their payment and the taxes levied against  
27 the detached territory shall only be to prevent  
28 default upon such obligations, except the district may  
29 provide for taxes to be levied against such land to  
30 create and maintain a reserve for such contingency,  
31 provided that such reserve shall never exceed the  
32 proportionate amount (based on tax valuations) of the  
33 average annual principal and interest requirements on  
34 such outstanding obligations.

35 Revisor's Note

36 Subsection (f), Section 4(a), Chapter 286, Acts  
37 of the 54th Legislature, Regular Session, 1955, refers  
38 to "unless and until." The revised law omits "unless"  
39 because, in context, the meaning of that word is  
40 included in the meaning of "until."

41 [Sections 9018.059-9018.100 reserved for expansion]

42 SUBCHAPTER C. BOARD OF DIRECTORS

43 Revised Law

44 Sec. 9018.101. COMPOSITION OF BOARD. The board is composed  
45 of five elected directors. (Acts 54th Leg., R.S., Ch. 286, Sec. 3

1 (part).)

2 Source Law

3 Sec. 3. The management and control of the  
4 District is hereby vested in a Board of five (5)  
5 Directors . . . [persons . . . serve as Directors  
6 . . . until their successors] shall have been duly  
7 elected . . . .

8 Revisor's Note

9 Section 3, Chapter 286, Acts of the 54th  
10 Legislature, Regular Session, 1955, provides that the  
11 "management and control of the District is hereby  
12 vested" in the board. The revised law omits the quoted  
13 language because it duplicates, in substance, Sections  
14 49.051 and 49.057, Water Code. Throughout this  
15 chapter, the revised law omits law that is superseded  
16 by Chapter 49, Water Code, or that duplicates law  
17 contained in that chapter. Chapter 49, Water Code,  
18 applies to the district under Sections 49.001 and  
19 49.002 of that code.

20 Revisor's Note  
21 (End of Subchapter)

22 (1) Section 3, Chapter 286, Acts of the 54th  
23 Legislature, Regular Session, 1955, refers to the  
24 powers and authority conferred and imposed on the  
25 board under Chapter 25, Acts of the 39th Legislature,  
26 Regular Session, 1925, as incorporated in Chapter 3A,  
27 Title 128, Vernon's Texas Civil Statutes. The relevant  
28 provisions of that chapter were codified in 1971 as  
29 Chapter 51, Water Code. Chapter 715, Acts of the 74th  
30 Legislature, Regular Session, 1995, repealed many of  
31 the provisions of Chapter 51 and enacted similar  
32 provisions in Chapter 49, Water Code. The revised law  
33 omits the reference to the board's powers and authority  
34 because Chapters 49 and 51, Water Code, which both  
35 apply to the district on their own terms, provide for  
36 the powers and authority of the board. The revised law  
37 omits "amendments thereto" because under Section

1 311.027, Government Code (Code Construction Act), a  
2 reference to a statute applies to all reenactments,  
3 revisions, or amendments of that statute unless  
4 expressly provided otherwise. The omitted law reads:

5           Sec. 3. . . . [a Board] . . . which  
6 shall have all of the powers and authority  
7 conferred and imposed upon boards of  
8 directors of water control and improvement  
9 districts organized under the provisions of  
10 Chapter 25, Acts of the 39th Legislature,  
11 passed in 1925, and amendments thereto, as  
12 incorporated in Title 128, Chapter 3A, of  
13 Vernon's Civil Statutes of the State of  
14 Texas, and amendments thereto. . . .

15           (2) Section 3, Chapter 286, Acts of the 54th  
16 Legislature, Regular Session, 1955, provides for  
17 appointing the initial board of directors and the  
18 election of subsequent directors to the board of  
19 directors of the district. The revised law omits as  
20 executed those provisions that relate to the  
21 establishment of the initial board and a later  
22 realignment of terms of directors. The provisions  
23 that require the election of directors to be held as  
24 provided by general law relating to water control and  
25 improvement districts are omitted because those  
26 provisions duplicate Subchapter D, Chapter 49, Water  
27 Code, and Subchapter C, Chapter 51, Water Code, which  
28 govern director elections. The omitted law reads:

29           Sec. 3. . . . The County Judge of  
30 Wharton County, Texas, is hereby authorized  
31 and empowered to appoint five (5) persons  
32 qualified under the law to serve as  
33 Directors of the District until their  
34 successors [shall have been duly elected]  
35 and shall have qualified. Said first Board  
36 of Directors shall meet and organize as  
37 provided by General Law and shall within  
38 sixty (60) days after the effective date of  
39 this Act file their official bonds. With  
40 the exception of said first Board of  
41 Directors, the Board of Directors shall be  
42 selected as is provided by General Law for  
43 water control and improvement districts.  
44 The first election of directors of such  
45 District shall be held on the second Tuesday  
46 of January, 1957, and in accordance with the  
47 provisions of Section 37 of Chapter 25, Acts  
48 of the 39th Legislature, as amended by  
49 Section 6 of Chapter 107 of the Acts of the

1 First Called Session of the 40th  
2 Legislature, as codified in Vernon's Texas  
3 Civil Statutes as Article 7880-37.  
4 Thereafter, directors of the District shall  
5 be chosen, and elections for directors  
6 shall be held, in accordance with the  
7 provisions of the General Laws relating to  
8 water control and improvement districts.

9 [Sections 9018.102-9018.150 reserved for expansion]

10 SUBCHAPTER D. POWERS AND DUTIES

11 Revised Law

12 Sec. 9018.151. WATER CONTROL AND IMPROVEMENT DISTRICT  
13 POWERS. The district has the rights, powers, privileges, and  
14 duties provided by general law applicable to a water control and  
15 improvement district created under Section 59, Article XVI, Texas  
16 Constitution, including Chapters 49 and 51, Water Code. (Acts 54th  
17 Leg., R.S., Ch. 286, Sec. 2 (part).)

18 Source Law

19 Sec. 2. The District shall have and exercise,  
20 and is hereby vested with, all of the rights, powers,  
21 privileges and duties conferred and imposed by the  
22 General Laws of this State now in force or hereafter  
23 enacted, applicable to water control and improvement  
24 districts created under authority of Section 59,  
25 Article 16, of the Constitution; but . . . .

26 Revisor's Note

27 (1) Section 2, Chapter 286, Acts of the 54th  
28 Legislature, Regular Session, 1955, states that the  
29 district "shall have and exercise, and is hereby  
30 vested with," certain rights, powers, privileges, and  
31 duties. The revised law substitutes "has" for the  
32 quoted language because, in context, the terms are  
33 synonymous and "has" is more commonly used.

34 (2) Section 2, Chapter 286, Acts of the 54th  
35 Legislature, Regular Session, 1955, refers to the  
36 general laws of this state "now in force or hereafter  
37 enacted." The revised law omits the quoted language as  
38 unnecessary under accepted general principles of  
39 statutory construction. The "[g]eneral [l]aws of this  
40 [s]tate" means those laws "in force" at the time the  
41 provision was adopted. It is unnecessary to state that

1 the district may be granted additional powers by later  
2 enacted laws because those laws apply on their own  
3 terms.

4 (3) Section 2, Chapter 286, Acts of the 54th  
5 Legislature, Regular Session, 1955, refers to the  
6 general laws "applicable to water control and  
7 improvement districts." For the reader's convenience,  
8 the revised law adds references to Chapter 49, Water  
9 Code, generally applicable under Sections 49.001 and  
10 49.002 of that chapter to districts created under  
11 Section 59, Article XVI, Texas Constitution, and  
12 Chapter 51, Water Code, specifically applicable to  
13 water control and improvement districts.

14 (4) Section 2, Chapter 286, Acts of the 54th  
15 Legislature, Regular Session, 1955, provides that the  
16 act prevails over general law that applies to water  
17 control and improvement districts and that is in  
18 conflict or inconsistent with the act and that all  
19 general laws applicable to water control and  
20 improvement districts are incorporated by reference.  
21 The revised law omits the portion of the provision  
22 relating to the act prevailing over general law  
23 because it duplicates Section 311.026(b), Government  
24 Code (Code Construction Act). The revised law omits  
25 the portion of the provision relating to incorporation  
26 of general laws because Section 2 of Chapter 286  
27 (revised as this section) already provides that those  
28 laws apply to the district, and it is unnecessary to  
29 repeat that authority. The omitted law reads:

30 Sec. 2. [The District shall have and  
31 exercise, and is hereby vested with, all of  
32 the rights, powers, privileges and duties  
33 conferred and imposed by the General Laws of  
34 this State now in force or hereafter  
35 enacted, applicable to water control and  
36 improvement districts created under  
37 authority of Section 59, Article 16, of the  
38 Constitution; but] to the extent that the  
39 provisions of any such General Laws may be

1 in conflict and inconsistent with the  
2 provisions of this Act, the provisions of  
3 this Act shall prevail. All such General  
4 Laws are hereby incorporated by reference  
5 with the same effect as if incorporated in  
6 full in this Act.

7 Revised Law

8 Sec. 9018.152. COST OF RELOCATING OR ALTERING PROPERTY. If  
9 the district's exercise of the power of eminent domain, the power of  
10 relocation, or any other power granted by this chapter, makes  
11 necessary the relocating, raising, rerouting, changing the grade,  
12 or altering the construction of a highway, railroad, electric  
13 transmission line, pipeline, or telegraph or telephone property or  
14 facility, the necessary action shall be accomplished at the sole  
15 expense of the district. (Acts 54th Leg., R.S., Ch. 286, Sec. 2A.)

16 Source Law

17 Sec. 2A. In the event that the District, in the  
18 exercise of the power of eminent domain or power of  
19 relocation, or any other power granted hereunder,  
20 makes necessary the relocation, raising, rerouting or  
21 changing the grade of, or altering the construction of  
22 any highway, railroad, electric transmission line,  
23 telephone or telegraph properties and facilities, or  
24 pipeline, all such necessary relocation, raising,  
25 rerouting, changing of grade or alteration of  
26 construction shall be accomplished at the sole expense  
27 of the District.

28 [Sections 9018.153-9018.200 reserved for expansion]

29 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

30 Revised Law

31 Sec. 9018.201. TAX METHOD. (a) The district shall use the  
32 ad valorem plan of taxation.

33 (b) The board is not required to hold a hearing on the  
34 adoption of a plan of taxation. (Acts 54th Leg., R.S., Ch. 286, Sec.  
35 4 (part).)

36 Source Law

37 Sec. 4. . . . It shall not be necessary for the  
38 Board of Directors to hold a hearing on the adoption of  
39 a plan of taxation, but the ad valorem plan of taxation  
40 shall be used by the District.

41 Revisor's Note  
42 (End of Chapter)

43 (1) Section 4, Chapter 286, Acts of the 54th  
44 Legislature, Regular Session, 1955, provides that it

1 is unnecessary to hold a confirmation election or a  
2 hearing to exclude land. The revised law omits the  
3 provision as executed. The omitted law reads:

4           Sec. 4. . . . No election shall be  
5 necessary for the purpose of confirming its  
6 organization and no hearings shall be held  
7 to determine whether any lands or other  
8 property included within its boundaries  
9 should be excluded. . . .

10           (2) Section 2, Chapter 143, Acts of the 55th  
11 Legislature, Regular Session, 1957, provides that the  
12 act is severable. The revised law omits that provision  
13 because the same result is produced by application of  
14 Section 311.032, Government Code (Code Construction  
15 Act), which provides that a provision of a statute is  
16 severable from each other provision of the statute  
17 that can be given effect. The omitted law reads:

18           Sec. 2. Should any clause, sentence,  
19 phrase or portion of this Act be declared  
20 unconstitutional, its invalidity shall not  
21 affect the remaining portions of this Act  
22 since the Legislature here expresses an  
23 intention to pass the remainder of the Act.

24           CHAPTER 9019. BROOKSHIRE MUNICIPAL WATER DISTRICT

25                   SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 9019.001. DEFINITIONS . . . . . 1338  
27 Sec. 9019.002. NATURE OF DISTRICT . . . . . 1338  
28 Sec. 9019.003. DISTRICT TERRITORY . . . . . 1340

29           [Sections 9019.004-9019.050 reserved for expansion]

30                   SUBCHAPTER B. BOARD OF DIRECTORS

31 Sec. 9019.051. COMPOSITION OF BOARD . . . . . 1341  
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14 CHAPTER 9019. BROOKSHIRE MUNICIPAL WATER DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Revised Law

17 Sec. 9019.001. DEFINITIONS. In this chapter:

- 18 (1) "Board" means the district's board of directors.
- 19 (2) "City" means the city of Brookshire, Texas.
- 20 (3) "Director" means a board member.
- 21 (4) "District" means the Brookshire Municipal Water

22 District. (Acts 52nd Leg., R.S., Ch. 418, Sec. 1 (part); New.)

23 Source Law

24 Sec. 1. . . . [a . . . district] to be known as

25 the "Brookshire Municipal Water District," . . . .

26 Revisor's Note

27 The definitions of "board," "city," and

28 "director" are added to the revised law for drafting

29 convenience and to eliminate frequent, unnecessary

30 repetition of the substance of the definitions.

31 Revised Law

32 Sec. 9019.002. NATURE OF DISTRICT. (a) The district is a

33 conservation and reclamation district.

34 (b) The creation of the district is essential to accomplish

35 the purposes of Section 59, Article XVI, Texas Constitution. (Acts

1 52nd Leg., R.S., Ch. 418, Sec. 1 (part).)

2 Source Law

3 Sec. 1. There is hereby created within the State  
4 of Texas, in addition to the Districts into which the  
5 State has heretofore been divided, a conservation and  
6 reclamation district . . . the creation of such  
7 District is hereby declared to be essential to the  
8 accomplishment of the purposes of Section 59 of  
9 Article XVI of the Constitution of the State of Texas.

10 Revisor's Note

11 (1) Section 1, Chapter 418, Acts of the 52nd  
12 Legislature, Regular Session, 1951, provides that the  
13 district "is hereby created." The revised law omits  
14 the quoted language as executed.

15 (2) Section 1, Chapter 418, Acts of the 52nd  
16 Legislature, Regular Session, 1951, states that the  
17 district is created "within the State of Texas, in  
18 addition to the Districts into which the State has  
19 heretofore been divided." The revised law omits the  
20 quoted language because the absence of the language  
21 does not imply that the legislature could create a  
22 district outside its jurisdiction or that the district  
23 is not in addition to any other districts.

24 (3) Section 1, Chapter 418, Acts of the 52nd  
25 Legislature, Regular Session, 1951, provides that the  
26 district is "a governmental agency and body politic  
27 and corporate, with the powers of government." The  
28 revised law omits the quoted language because it  
29 duplicates a portion of Section 59(b), Article XVI,  
30 Texas Constitution, which provides that a conservation  
31 and reclamation district is a governmental agency and  
32 body politic and corporate, with governmental powers  
33 conferred by law. The omitted law reads:

34 Sec. 1. . . .  
35 Such District shall be and is hereby  
36 declared to be a governmental agency and  
37 body politic and corporate, with the powers  
38 of government and . . . .



1 located in Chapter 3A, Title 128, Revised Statutes.  
2 The pertinent parts of that chapter were codified as  
3 Subchapter O, Chapter 51, Water Code, by Section 1,  
4 Chapter 58, Acts of the 62nd Legislature, Regular  
5 Session, 1971. Section 2, Chapter 715, Acts of the  
6 74th Legislature, Regular Session, 1995, enacted  
7 similar provisions as Subchapter J, Chapter 49, Water  
8 Code. Chapter 49 applies to the district by operation  
9 of Sections 49.001 and 49.002 of that code. The  
10 revised law also includes a reference to the general  
11 authority of the legislature to enact other laws to  
12 change the district's territory.

13 [Sections 9019.004-9019.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Revised Law

16 Sec. 9019.051. COMPOSITION OF BOARD. The district is  
17 governed by a board of five elected directors. (Acts 52nd Leg.,  
18 R.S., Ch. 418, Sec. 2 (part).)

19 Source Law

20 Sec. 2. The governing body of the District shall  
21 be a Board of Directors composed of five (5) persons,  
22 . . . succeeding Directors shall be elected, and  
23 . . . .

24 Revisor's Note

25 Section 2, Chapter 418, Acts of the 52nd  
26 Legislature, Regular Session, 1951, refers to  
27 "succeeding [d]irectors" to distinguish the  
28 succeeding directors from the initial directors  
29 appointed under that section. The revised law omits  
30 "succeeding" because all provisions referring to  
31 initial directors are omitted as executed and the  
32 distinction is no longer required.

33 Revised Law

34 Sec. 9019.052. QUALIFICATIONS FOR OFFICE. A director must  
35 be:

- 36 (1) at least 18 years of age;



1                   Sec. 2. . . . The first Board of  
2                   Directors shall be appointed by the State  
3                   Board of Water Engineers and . . . .

4                   (2) Section 2, Chapter 418, Acts of the 52nd  
5                   Legislature, Regular Session, 1951, provides that  
6                   directors shall be elected and vacancies in office  
7                   shall be filled in the manner provided for water  
8                   control and improvement districts. The revised law  
9                   omits the provision relating to the manner of electing  
10                  directors because it duplicates, in substance,  
11                  Subchapter D, Chapter 49, Water Code, applicable to  
12                  the district by operation of Sections 49.001 and  
13                  49.002, Water Code, and Subchapter C, Chapter 51,  
14                  Water Code, applicable to the district by operation of  
15                  Section 51.001, Water Code, and Section 9019.101 of  
16                  this chapter. The revised law omits the provision  
17                  relating to the manner of filling vacancies because it  
18                  duplicates, in substance, Section 49.105, Water Code,  
19                  applicable to the district under Sections 49.001 and  
20                  49.002, Water Code. The omitted law reads:

21                   Sec. 2. . . . [succeeding Directors  
22                   shall be elected, and] vacancies in office  
23                   filled, in the manner provided for Water  
24                   Control and Improvement Districts.

25                  [Sections 9019.053-9019.100 reserved for expansion]

26                   SUBCHAPTER C. POWERS AND DUTIES

27                                   Revised Law

28                  Sec. 9019.101. GENERAL POWERS. (a) Except as otherwise  
29                  provided by this chapter, the district:

30                   (1) has all the powers and duties granted water  
31                  control and improvement districts by Chapters 49 and 51, Water  
32                  Code, and all other laws relating to water control and improvement  
33                  districts; and

34                   (2) shall be governed by all of the laws described by  
35                  Subdivision (1) and the powers, functions, duties, privileges, and  
36                  procedures provided by those laws.

37                  (b) The district may exercise the rights, privileges, and

1 functions provided by this chapter. (Acts 52nd Leg., R.S., Ch. 418,  
2 Secs. 1 (part), 3 (part).)

3 Source Law

4 Sec. 1. . . .

5 [Such District shall be . . . a governmental  
6 agency] . . . with the power to exercise the rights,  
7 privileges, and functions hereinafter specified, and  
8 . . . .

9 Sec. 3. That, except as otherwise provided  
10 therein, the District shall have all the powers,  
11 authority, and duties granted to Water Control and  
12 Improvement Districts by Chapter 3A, of Title 128, of  
13 the Revised Civil Statutes of Texas, 1925, and all  
14 amendments and additions thereto heretofore or  
15 hereafter enacted, and all other laws of Texas  
16 relating to Water Control and Improvement Districts.  
17 The District shall be governed by all of said laws and  
18 the powers, functions, duties, privileges, and  
19 procedures therein provided, except as herein  
20 otherwise specifically provided. . . .

21 Revisor's Note

22 (1) Section 3, Chapter 418, Acts of the 52nd  
23 Legislature, Regular Session, 1951, states that the  
24 district "shall have" certain powers, authority, and  
25 duties. The revised law substitutes "has" for the  
26 quoted language because, in context, the terms are  
27 synonymous and "has" is more commonly used.

28 (2) Section 3, Chapter 418, Acts of the 52nd  
29 Legislature, Regular Session, 1951, refers to "powers,  
30 authority, and duties." Throughout this chapter, the  
31 revised law omits "authority" in this context because  
32 "authority" is included in the meaning of "powers."

33 (3) Section 3, Chapter 418, Acts of the 52nd  
34 Legislature, Regular Session, 1951, refers to "Chapter  
35 3A, of Title 128, of the Revised Civil Statutes of  
36 Texas, 1925, and all amendments and additions thereto  
37 heretofore or hereafter enacted." The revised law  
38 substitutes a reference to Chapter 51, Water Code, for  
39 the quoted language because the relevant provisions of  
40 Chapter 3A, Title 128, Revised Statutes, were codified  
41 in 1971 as Chapter 51, Water Code. For the reader's  
42 convenience, the revised law includes a reference to

1 Chapter 49, Water Code, because Chapter 715, Acts of  
2 the 74th Legislature, Regular Session, 1995, repealed  
3 many provisions of Chapter 51 and enacted similar  
4 provisions in Chapter 49, Water Code. The revised law  
5 omits the reference to "all amendments and additions  
6 thereto heretofore or hereafter enacted" because under  
7 Section 311.027, Government Code (Code Construction  
8 Act), a reference to a statute applies to all  
9 reenactments, revisions, or amendments of that statute  
10 unless expressly provided otherwise.

11 Revised Law

12 Sec. 9019.102. POWER TO ACQUIRE PROPERTY AND ASSUME  
13 INDEBTEDNESS. (a) The district may purchase or otherwise acquire  
14 from the city any property owned by the city, for the production,  
15 distribution, and sale of water and everything appurtenant thereto  
16 on terms agreed to by the governing bodies of the city and the  
17 district.

18 (b) The district may assume all outstanding bonds,  
19 warrants, and other forms of indebtedness of the city issued for  
20 waterworks purposes, including indebtedness payable from:

21 (1) the revenue of the city's waterworks system; or

22 (2) ad valorem taxes.

23 (c) The assumption of indebtedness described by Subsection  
24 (b) must first be approved at an election held in the district in  
25 the manner provided by this chapter for bond elections. (Acts 52nd  
26 Leg., R.S., Ch. 418, Sec. 4.)

27 Source Law

28 Sec. 4. The District is specifically authorized  
29 to purchase or otherwise acquire, from the City of  
30 Brookshire, Texas, any or all properties owned by said  
31 city, for the production, distribution and sale of  
32 water and everything appurtenant thereto upon such  
33 terms and conditions as the governing bodies of said  
34 city and said District shall agree. The District is  
35 further authorized and empowered to assume all  
36 outstanding bonds, warrants, and other forms of  
37 indebtedness of the City of Brookshire issued for  
38 waterworks purposes, including such indebtedness  
39 payable from the revenues of the city's waterworks  
40 system and all such indebtedness payable from ad  
41 valorem taxes, provided that the assumption of such

1 indebtedness has first been approved at an election  
2 held within the District in the manner hereinafter  
3 provided for bond elections.

4 Revisor's Note

5 Section 4, Chapter 418, Acts of the 52nd  
6 Legislature, Regular Session, 1951, refers to "terms  
7 and conditions." The revised law omits the reference  
8 to "conditions" because "conditions" is included in  
9 the meaning of "terms."

10 Revised Law

11 Sec. 9019.103. POWERS RELATING TO WATERWORKS OR SANITARY  
12 SEWER SYSTEM. The district may:

13 (1) purchase, construct, or otherwise acquire a  
14 waterworks or sanitary sewer system;

15 (2) own and operate a system described by Subdivision  
16 (1); and

17 (3) construct an addition, extension, or improvement  
18 to a system described by Subdivision (1). (Acts 52nd Leg., R.S.,  
19 Ch. 418, Sec. 5 (part).)

20 Source Law

21 Sec. 5. The District is expressly authorized to  
22 purchase, construct, or otherwise acquire a waterworks  
23 and sanitary sewer system, either or both, to own and  
24 operate the same and to construct additions,  
25 extensions, and improvements thereto. . . .

26 Revised Law

27 Sec. 9019.104. POWERS RELATING TO FIRE DEPARTMENT. The  
28 district may:

29 (1) purchase or otherwise acquire, maintain, and  
30 operate a firefighting facility and equipment to protect property  
31 belonging to the district and other property in the district;

32 (2) maintain and operate a fire department;

33 (3) employ a fire marshal; and

34 (4) pay a reward for information leading to the arrest  
35 and conviction of a person on a charge of arson in connection with  
36 the burning or attempted burning of property in the district. (Acts  
37 52nd Leg., R.S., Ch. 418, Sec. 5 (part).)



1 SUBCHAPTER E. BONDS

2 Revised Law

3 Sec. 9019.201. AUTHORITY TO ISSUE BONDS. To carry out a  
4 power the district is authorized to perform, the district may issue  
5 bonds payable from and secured by:

6 (1) ad valorem taxes;

7 (2) all or part of the net revenue of the  
8 income-producing properties of the district, as specified by the  
9 board, after deducting reasonable expenses for maintenance,  
10 operation, and administration; or

11 (3) ad valorem taxes and the net revenue described by  
12 Subdivision (2). (Acts 52nd Leg., R.S., Ch. 418, Sec. 6 (part).)

13 Source Law

14 Sec. 6. For the purpose of carrying out any  
15 power or authority which the District is authorized to  
16 perform, the District is empowered to issue its  
17 negotiable bonds payable (a) from ad valorem taxes; or  
18 (b) the net revenues, after deduction of reasonable  
19 expenses for maintenance, operation, and  
20 administration, of the income-producing properties of  
21 the District or such part thereof as shall be specified  
22 by the Board of Directors; or (c) such bonds may be  
23 secured both by ad valorem taxes and such net  
24 revenues. . . .

25 Revisor's Note

26 Section 6, Chapter 418, Acts of the 52nd  
27 Legislature, Regular Session, 1951, authorizes the  
28 district to issue "negotiable" bonds. The revised law  
29 omits "negotiable" because Section 1201.041,  
30 Government Code, provides that a public security is a  
31 negotiable instrument. Section 1201.041, Government  
32 Code, applies to district bonds by application of  
33 Section 1201.002, Government Code.

34 Revised Law

35 Sec. 9019.202. BOND ELECTION REQUIRED. The district may  
36 issue bonds only if the bonds are authorized by a majority of the  
37 district voters voting at an election called by the board. (Acts  
38 52nd Leg., R.S., Ch. 418, Sec. 6 (part).)



1 418, Sec. 6 (part); New.)

2 Source Law

3 Sec. 6. . . . Notice of bond election shall be  
4 given in the manner required of bond elections in Water  
5 Control and Improvement Districts, except that same  
6 shall be published once a week for two consecutive  
7 weeks in a newspaper of general circulation within the  
8 District, the first publication to be at least  
9 fourteen (14) days prior to the date fixed for election  
10 and it shall not be necessary to state any summary of  
11 engineers or other estimates of cost in such notice.

12 Revised Law

13 Sec. 9019.204. REFUNDING BONDS. (a) The district may issue  
14 refunding bonds to refund:

15 (1) outstanding bonds issued by the district and  
16 interest on those bonds; or

17 (2) outstanding bonds of the city assumed by the  
18 district.

19 (b) Refunding bonds may:

20 (1) be issued to refund more than one series of  
21 outstanding district bonds, including bonds assumed by the  
22 district;

23 (2) combine the pledges of net revenue, taxes, or  
24 both, that secure the outstanding bonds for the security of the  
25 refunding bonds; and

26 (3) be secured by a pledge of other or additional  
27 revenue.

28 (c) Refunding bonds may be combined and issued jointly with  
29 new money bonds to be issued and sold to carry out a power for which  
30 the district may issue bonds.

31 (d) The comptroller shall register the refunding bonds on  
32 the surrender and cancellation of the bonds to be refunded.

33 (e) Instead of issuing bonds to be registered on the  
34 surrender and cancellation of the bonds to be refunded, the  
35 district, in the resolution authorizing the issuance of the  
36 refunding bonds, may provide for the sale of the refunding bonds and  
37 the deposit of the proceeds in a bank at which the bonds to be  
38 refunded are payable. In that case, the refunding bonds may be

1 issued in an amount sufficient to pay the interest on the bonds to  
2 be refunded to their option date or maturity date, and the  
3 comptroller shall register the refunding bonds without the  
4 surrender and cancellation of the bonds to be refunded. (Acts 52nd  
5 Leg., R.S., Ch. 418, Sec. 7 (part).)

6 Source Law

7 Sec. 7. The District is authorized to issue  
8 refunding bonds for the purpose of refunding any  
9 outstanding bonds hereafter issued by the District,  
10 and interest thereon, and any outstanding bonds of the  
11 City of Brookshire which the District may assume. Such  
12 refunding bonds may be issued to refund more than one  
13 (1) series of outstanding bonds of the District,  
14 including any such bonds assumed by the District, and  
15 combine the pledges of net revenues or taxes, or both,  
16 which secure the outstanding bonds for the security of  
17 the refunding bonds, and may be secured by other or  
18 additional revenues. Such refunding bonds may be  
19 combined and issued jointly with new money bonds to be  
20 issued and sold for the purpose of carrying out any  
21 power or authority for which the District is  
22 authorized to issue bonds. . . . Refunding bonds shall  
23 be registered by the Comptroller upon surrender and  
24 cancellation of the bonds to be refunded, but in lieu  
25 thereof, the resolution authorizing their issuance may  
26 provide that they shall be sold and the proceeds  
27 thereof deposited in the bank or banks where the  
28 original bonds are payable, in which case the  
29 refunding bonds may be issued in an amount sufficient  
30 to pay the interest on original bonds to their option  
31 date or maturity date, and the Comptroller shall  
32 register them without concurrent surrender and  
33 cancellation of the original bonds.

34 Revised Law

35 Sec. 9019.205. REFUNDING BOND ELECTION. (a) Except as  
36 otherwise provided by this section, refunding bonds may be issued  
37 without an election.

38 (b) The district may not issue refunding bonds to refund  
39 outstanding bonds of the city unless the district's assumption of  
40 those bonds is first authorized at an election in the district held  
41 in the manner provided by this chapter for bond elections.

42 (c) Refunding bonds payable wholly or partly from ad valorem  
43 taxes may not be issued to refund revenue bonds issued by the  
44 district or revenue bonds of the city assumed by the district unless  
45 the refunding bonds are authorized at an election held in the manner  
46 provided by this chapter for bond elections. (Acts 52nd Leg., R.S.,  
47 Ch. 418, Sec. 7 (part).)





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2 CHAPTER 9026. CEDAR BAYOU PARK UTILITY DISTRICT

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Revised Law

5 Sec. 9026.001. DEFINITIONS. In this chapter:

6 (1) "Board" means the district's board of directors.

7 (2) "Director" means a board member.

8 (3) "District" means the Cedar Bayou Park Utility  
9 District. (Acts 61st Leg., R.S., Ch. 261, Sec. 1 (part); New.)

10 Source Law

11 Sec. 1. . . . [a . . . district] . . . to be  
12 known as "Cedar Bayou Park Utility District,"  
13 hereinafter called the "district," . . . .

14 Revisor's Note

15 The definitions of "board" and "director" are  
16 added to the revised law for drafting convenience and  
17 to eliminate frequent, unnecessary repetition of the  
18 substance of the definitions.

19 Revised Law

20 Sec. 9026.002. NATURE OF DISTRICT. The district is a  
21 conservation and reclamation district in Harris County created  
22 under Section 59, Article XVI, Texas Constitution. (Acts 61st  
23 Leg., R.S., Ch. 261, Sec. 1 (part).)

24 Source Law

25 Sec. 1. Under and pursuant to the provisions of  
26 Article XVI, Section 59, Constitution of Texas, a  
27 conservation and reclamation district is hereby  
28 created and established in Harris County, Texas, . . .  
29 which shall be a governmental agency and a body politic  
30 and corporate. . . .

31 Revisor's Note

32 (1) Section 1, Chapter 261, Acts of the 61st  
33 Legislature, Regular Session, 1969, provides that the  
34 district is "created and established" in Harris  
35 County, Texas. The revised law omits "established"  
36 because the meaning of that word is included in the  
37 meaning of "created."

38 (2) Section 1, Chapter 261, Acts of the 61st

1 Legislature, Regular Session, 1969, refers to the  
2 district as "a governmental agency and a body politic  
3 and corporate." The revised law omits the quoted  
4 language because it duplicates a portion of Section  
5 59(b), Article XVI, Texas Constitution, which provides  
6 that a conservation and reclamation district is a  
7 governmental agency and a body politic and corporate.

8 Revised Law

9 Sec. 9026.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
10 The district is created to serve a public use and benefit.

11 (b) All land and other property included in the boundaries  
12 of the district will benefit from the works and projects  
13 accomplished by the district under the powers conferred by Section  
14 59, Article XVI, Texas Constitution.

15 (c) The creation of the district is essential to accomplish  
16 the purposes of Section 59, Article XVI, Texas Constitution.

17 (d) The accomplishment of the purposes stated in this  
18 chapter is for the benefit of the people of this state and for the  
19 improvement of their property and industries. The district in  
20 carrying out the purposes of this chapter will be performing an  
21 essential public function under the Texas Constitution. (Acts 61st  
22 Leg., R.S., Ch. 261, Secs. 1 (part), 4, 24 (part).)

23 Source Law

24 Sec. 1. . . . The creation and establishment of  
25 the district is hereby declared to be essential to the  
26 accomplishment of the purposes of Article XVI, Section  
27 59, Constitution of Texas.

28 Sec. 4. It is determined and found that all of  
29 the land and other property included within the area  
30 and boundaries of the district will be benefited by the  
31 works and project which are to be accomplished by the  
32 district pursuant to the powers conferred by the  
33 provisions of Article XVI, Section 59, Constitution of  
34 Texas, and that said district was and is created to  
35 serve a public use and benefit.

36 Sec. 24. The accomplishment of the purposes  
37 stated in this Act being for the benefit of the people  
38 of this state and for the improvement of their  
39 properties and industries, the district in carrying  
40 out the purposes of this Act will be performing an  
41 essential public function under the Constitution, and  
42 . . . .

1 Revisor's Note

2 (1) Section 1, Chapter 261, Acts of the 61st  
3 Legislature, Regular Session, 1969, states that the  
4 "creation and establishment" of the district is  
5 essential to accomplish the purposes of Section 59,  
6 Article XVI, Texas Constitution. The revised law  
7 omits "establishment" because its meaning is included  
8 in the meaning of "creation."

9 (2) Section 4, Chapter 261, Acts of the 61st  
10 Legislature, Regular Session, 1969, refers to land and  
11 other property included "within the area and  
12 boundaries of the district." The revised law omits  
13 "area" because property included in the "area . . . of  
14 the district" is synonymous with property included in  
15 the "boundaries of the district."

16 Revised Law

17 Sec. 9026.004. DISTRICT TERRITORY. (a) The district is  
18 composed of the territory described by Section 2, Chapter 261, Acts  
19 of the 61st Legislature, Regular Session, 1969, as that territory  
20 may have been modified under:

21 (1) Subchapter O, Chapter 51, Water Code;

22 (2) Subchapter J, Chapter 49, Water Code;

23 (3) Section 9026.005 or its predecessor statute,  
24 former Section 9, Chapter 261, Acts of the 61st Legislature,  
25 Regular Session, 1969; or

26 (4) other law.

27 (b) The boundaries and field notes of the district form a  
28 closure. A mistake in the field notes or in copying the field notes  
29 in the legislative process does not affect:

30 (1) the district's organization, existence, or  
31 validity;

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

1 (3) the district's right to impose a tax; or  
2 (4) in any other manner, the legality or operation of  
3 the district or the board. (Acts 61st Leg., R.S., Ch. 261, Sec. 3;  
4 New.)

5 Source Law

6 Sec. 3. It is determined and found that the  
7 boundaries and field notes of the district form a  
8 closure; and if any mistake is made in copying the  
9 field notes in the legislative process, or otherwise a  
10 mistake is made in the field notes, it shall in no way  
11 affect the organization, existence, and validity of  
12 the district, or the right of the district to issue any  
13 type of bonds or refunding bonds for the purposes for  
14 which the district is created, or to pay the principal  
15 and interest thereon, or the right to assess, levy, and  
16 collect taxes, or in any other manner affect the  
17 legality or operation of the district or its governing  
18 body.

19 Revisor's Note

20 (1) The revision of the law governing the  
21 district does not revise the statutory language  
22 describing the territory of the district to avoid the  
23 lengthy recitation of the description and because that  
24 description may not be accurate on the effective date  
25 of the revision or at the time of a later reading. For  
26 the reader's convenience, the revised law includes  
27 references to the statutory description of the  
28 district's territory and to statutory authority to  
29 change the district's territory under Subchapter O,  
30 Chapter 51, Water Code, applicable to water control  
31 and improvement districts, Subchapter J, Chapter 49,  
32 Water Code, applicable to the district under Sections  
33 49.001 and 49.002 of that chapter, and Section  
34 9026.005 of this chapter or Section 9, Chapter 261,  
35 Acts of the 61st Legislature, Regular Session, 1969,  
36 from which Section 9026.005 is derived. The revised  
37 law also includes a reference to the general authority  
38 of the legislature to enact other laws to change the  
39 district's territory.

40 (2) Section 3, Chapter 261, Acts of the 61st

1 Legislature, Regular Session, 1969, provides that a  
2 mistake in the description of the district's  
3 boundaries does not affect the right of the district to  
4 issue "any type of bonds or refunding bonds." The  
5 revised law omits "refunding bonds" because refunding  
6 bonds are included in the meaning of "any type of  
7 bonds."

8 (3) Section 3, Chapter 261, Acts of the 61st  
9 Legislature, Regular Session, 1969, refers to the  
10 district's right to "assess, levy, and collect" a tax.  
11 Throughout this chapter, the revised law substitutes  
12 "impose" for "levy" or "assess, levy, and collect"  
13 because "impose" is the term generally used in Title 1,  
14 Tax Code, and includes the assessment, levying, and  
15 collection of a tax.

16 Revised Law

17 Sec. 9026.005. EXPANSION OF DISTRICT. (a) If land is  
18 annexed by the district under Section 49.301 or 51.714, Water Code,  
19 the board may require the petitioners to:

20 (1) assume the petitioners' pro rata share of the voted  
21 but unissued bonds of the district; and

22 (2) authorize the board to impose a tax on the  
23 petitioners' property to pay for the bonds after the bonds have been  
24 issued.

25 (b) If land is annexed by the district under Section 49.302,  
26 Water Code, the board may submit to the voters of the area to be  
27 annexed a proposition on the question of the assumption by the area  
28 to be annexed of its part of the voted but not yet issued or sold tax  
29 or tax-revenue bonds of the district and the imposition of an ad  
30 valorem tax on taxable property in the area to be annexed along with  
31 a tax in the rest of the district for the payment of the bonds.

32 (c) If the petitioners consent or if the election results  
33 favorably, the district may issue its voted but unissued tax or  
34 tax-revenue bonds regardless of changes to district boundaries

1 since the voting or authorization of those bonds. (Acts 61st Leg.,  
2 R.S., Ch. 261, Sec. 9.)

3 Source Law

4 Sec. 9. Land may be added to or annexed by the  
5 district in the manner now provided by Chapter 3A,  
6 Title 128 (Vernon's Texas Civil Statutes); provided,  
7 however, that the board of directors may require the  
8 petitioners, if land is being added in the manner  
9 provided by Article 7880-75 (Vernon's Texas Civil  
10 Statutes), to assume their pro rata share of the voted  
11 but unissued bonds of the district and to authorize the  
12 board to levy a tax on their property in payment of  
13 such unissued bonds, when issued, or if land is being  
14 annexed in the manner provided by Article 7880-75b  
15 (Vernon's Texas Civil Statutes), the board may also  
16 submit a proposition to the property taxpaying voters  
17 of the area to be annexed on the question of the  
18 assumption by the area to be annexed of its part of the  
19 tax or tax-revenue bonds of the district theretofore  
20 voted but not yet issued or sold and the levy of an ad  
21 valorem tax on taxable property within the area to be  
22 annexed along with the tax in the rest of the district  
23 for the payment thereof. If the petitioners consent or  
24 if the election results favorably, the district shall  
25 be authorized to issue its voted but unissued tax or  
26 tax-revenue bonds even though the boundaries of the  
27 district have been changed since the voting or  
28 authorization of such bonds.

29 Revisor's Note

30 (1) Section 9, Chapter 261, Acts of the 61st  
31 Legislature, Regular Session, 1969, provides that the  
32 district may add or annex land in the manner provided  
33 by Chapter 3A, Title 128, Vernon's Texas Civil  
34 Statutes. The revised law omits that provision as  
35 unnecessary. The relevant provisions of that statute  
36 were codified by Chapter 58, Acts of the 62nd  
37 Legislature, Regular Session, 1971, as Subchapter O,  
38 Chapter 51, Water Code. Chapter 715, Acts of the 74th  
39 Legislature, Regular Session, 1995, repealed some of  
40 the relevant provisions of Subchapter O, Chapter 51,  
41 Water Code, and enacted Subchapter J, Chapter 49,  
42 Water Code, to govern the addition of land to a water  
43 control and improvement district and certain other  
44 districts. Subchapter J, Chapter 49, Water Code,  
45 applies to the district without an express reference  
46 to Subchapter J by this chapter. The remaining

1 relevant provisions of Subchapter O, Chapter 51, Water  
2 Code, apply to the district under Section 51.001,  
3 Water Code, without an express reference to those  
4 sections by this chapter.

5 (2) Section 9, Chapter 261, Acts of the 61st  
6 Legislature, Regular Session, 1969, refers to Article  
7 7880-75, Vernon's Texas Civil Statutes. Article  
8 7880-75 was codified by Chapter 58, Acts of the 62nd  
9 Legislature, Regular Session, 1971, as Sections  
10 51.714-51.717, Water Code. Section 2, Chapter 778,  
11 Acts of the 74th Legislature, Regular Session, 1995,  
12 amended Section 51.714, Water Code, relating to the  
13 addition of land to a water control and improvement  
14 district by the petition of the landowner. Without  
15 reference to that amendment, Chapter 715, Acts of the  
16 74th Legislature, Regular Session, 1995, repealed  
17 Sections 51.714-51.717, Water Code, and enacted  
18 Section 49.301, Water Code, to govern the addition of  
19 land to certain districts by the petition of the  
20 landowner. The revised law is drafted accordingly.

21 (3) Section 9, Chapter 261, Acts of the 61st  
22 Legislature, Regular Session, 1969, refers to Article  
23 7880-75b, Vernon's Texas Civil Statutes. Article  
24 7880-75b was codified by Chapter 58, Acts of the 62nd  
25 Legislature, Regular Session, 1971, as Sections  
26 51.718-51.724, Water Code, relating to the addition of  
27 land to a water control and improvement district by the  
28 petition of less than all the landowners. Chapter 715,  
29 Acts of the 74th Legislature, Regular Session, 1995,  
30 repealed Sections 51.718-51.724, Water Code, and  
31 enacted Section 49.302, Water Code, to govern the  
32 addition of land to certain water districts, including  
33 water control and improvement districts, by the  
34 petition of less than all the landowners. The revised

1 law is drafted accordingly.

2 (4) Section 9, Chapter 261, Acts of the 61st  
3 Legislature, Regular Session, 1969, refers to  
4 "property taxpaying voters." The revised law omits  
5 "property taxpaying" because in Hill v. Stone, 421  
6 U.S. 289 (1975), the United States Supreme Court  
7 determined that property ownership as a qualification  
8 for voting is an unconstitutional denial of equal  
9 protection.

10 Revised Law

11 Sec. 9026.006. STATE POLICY REGARDING WASTE DISPOSAL. The  
12 district's powers and duties are subject to the state policy of  
13 encouraging the development and use of integrated area-wide waste  
14 collection, treatment, and disposal systems to serve the waste  
15 disposal needs of this state's residents, if integrated systems can  
16 reasonably be provided for an area, so as to avoid the economic  
17 burden on residents and the impact on state water quality caused by  
18 the construction and operation of numerous small waste collection,  
19 treatment, and disposal facilities. (Acts 61st Leg., R.S., Ch.  
20 261, Sec. 5 (part).)

21 Source Law

22 Sec. 5. . . . The powers and duties conferred  
23 on the district are granted subject to the policy of  
24 the state to encourage the development and use of  
25 integrated area-wide waste collection, treatment and  
26 disposal systems to serve the waste disposal needs of  
27 the citizens of the state, it being the objective of  
28 the policy to avoid the economic burden to the people  
29 and the impact on the quality of the waters in the  
30 state which result from the construction and operation  
31 of numerous small waste collection, treatment and  
32 disposal facilities to serve an area when an  
33 integrated area-wide waste collection, treatment and  
34 disposal system for the area can be reasonably  
35 provided. . . .

36 Revisor's Note

37 Section 5, Chapter 261, Acts of the 61st  
38 Legislature, Regular Session, 1969, refers to  
39 "citizens" of the state. The revised law substitutes  
40 "residents" for "citizens" because, in the context of  
41 this section, "citizens" and "residents" are

1 synonymous and "residents" is more commonly used.

2 Revisor's Note  
3 (End of Subchapter)

4 (1) Section 5, Chapter 261, Acts of the 61st  
5 Legislature, Regular Session, 1969, provides that the  
6 act prevails over any general law that applies to a  
7 water control and improvement district and that is in  
8 conflict or inconsistent with the act. The revised law  
9 omits the provision because the provision duplicates,  
10 in substance, Section 311.026, Government Code (Code  
11 Construction Act). The omitted law reads:

12 Sec. 5. [The district shall have and  
13 exercise, and is hereby vested with, all of  
14 the rights, powers, privileges, authority,  
15 and functions conferred and imposed by the  
16 general laws of this state now in force or  
17 hereafter enacted, applicable to water  
18 control and improvement districts created  
19 under authority of Article XVI, Section 59,  
20 Constitution of Texas, including without  
21 limitation those conferred by Chapter 3A,  
22 Title 128 (Vernon's Texas Civil Statutes);  
23 but] to the extent that the provisions of  
24 any such general laws may be in conflict or  
25 inconsistent with the provisions of this  
26 Act, the provisions of this Act shall  
27 prevail. . . .

28 (2) Section 5, Chapter 261, Acts of the 61st  
29 Legislature, Regular Session, 1969, provides that any  
30 general law applicable to water control and  
31 improvement districts is adopted and incorporated by  
32 reference. The revised law omits the language because  
33 it is not necessary to duplicate by means of adoption  
34 and incorporation the substance of general laws  
35 applicable to the district. The omitted law reads:

36 Sec. 5. . . . All such general laws  
37 are hereby adopted and incorporated by  
38 reference with the same effect as if  
39 incorporated in full in this Act. . . .

40 (3) Section 5, Chapter 261, Acts of the 61st  
41 Legislature, Regular Session, 1969, refers to the  
42 continuing right of this state to supervise the  
43 district through the Texas Water Rights Commission.  
44 The revised law omits the provision because the Texas

1 Commission on Environmental Quality is the successor  
2 to the Texas Water Rights Commission, and therefore  
3 the provision duplicates, in substance, part of  
4 Section 12.081, Water Code, which applies to the  
5 district. The omitted law reads:

6           Sec. 5. . . . The rights, powers,  
7           privileges, authority, and functions herein  
8           granted to the district shall be subject to  
9           the continuing right of supervision of the  
10          state, to be exercised by and through the  
11          Texas Water Rights Commission. . . .

12           (4) Section 22, Chapter 261, Acts of the 61st  
13          Legislature, Regular Session, 1969, provides that  
14          Article 970a, Vernon's Texas Civil Statutes (Municipal  
15          Annexation Act), does not apply to the creation of the  
16          district. The revised law omits that provision as  
17          executed. The omitted law reads:

18           Sec. 22. This district is hereby  
19           created notwithstanding any of the  
20           provisions of the Municipal Annexation Act,  
21           being Article 970a (Vernon's Texas Civil  
22           Statutes), as amended, and to the extent of  
23           the creation of the district only, said  
24           Article 970a shall have no  
25           application. . . .

26           (5) Section 22, Chapter 261, Acts of the 61st  
27          Legislature, Regular Session, 1969, provides that the  
28          district is subject to certain other laws. The revised  
29          law omits that provision because the laws cited apply  
30          by their own terms. Section 22 refers to Article 970a,  
31          Vernon's Texas Civil Statutes (Municipal Annexation  
32          Act). In 1987, Article 970a was codified as Chapters  
33          42 and 43, Local Government Code, and Section 212.003,  
34          Local Government Code. Section 22 also refers to  
35          Article 1182c-1, Vernon's Texas Civil Statutes, "as  
36          amended." In 1987, Article 1182c-1 was codified as  
37          Sections 43.074, 43.075, and 43.081, Local Government  
38          Code.

39           The revised law omits "as amended" because, under  
40          Section 311.027, Government Code (Code Construction

1 Act), a reference to a statute applies to all  
2 reenactments, revisions, or amendments of that  
3 statute, unless expressly provided otherwise. The  
4 omitted law reads:

5           Sec. 22. . . . In all other  
6 respects, the district hereby created is  
7 expressly made subject to all provisions of  
8 said Article 970a. District shall also be  
9 subject to the provisions of Article  
10 1182c-1 (Vernon's Texas Civil Statutes), as  
11 amended.

12 [Sections 9026.007-9026.050 reserved for expansion]

13           SUBCHAPTER B. DISTRICT ADMINISTRATION

14                   Revised Law

15           Sec. 9026.051. COMPOSITION OF BOARD. The board consists of  
16 five elected directors. (Acts 61st Leg., R.S., Ch. 261, Sec. 10  
17 (part).)

18                   Source Law

19           Sec. 10. All powers of the district shall be  
20 exercised by a board of five directors. . . .  
21 Succeeding directors shall be elected or . . . .

22                   Revisor's Note

23           (1) Section 10, Chapter 261, Acts of the 61st  
24 Legislature, Regular Session, 1969, provides that  
25 "[a]ll powers of the district shall be exercised by"  
26 the board. The revised law omits that provision  
27 because it duplicates, in substance, provisions of  
28 Sections 49.051 and 49.057, Water Code. Throughout  
29 this chapter, the revised law omits law that is  
30 superseded by Chapter 49, Water Code, or that  
31 duplicates law contained in that chapter. Chapter 49,  
32 Water Code, applies to the district under Sections  
33 49.001 and 49.002 of that chapter.

34           (2) Section 10, Chapter 261, Acts of the 61st  
35 Legislature, Regular Session, 1969, refers to  
36 "[s]ucceeding directors" to distinguish the  
37 succeeding directors from the initial directors named  
38 in that section. The revised law omits "succeeding"

1 because all provisions referring to initial directors  
2 are omitted as executed and the distinction is no  
3 longer required.

4 Revised Law

5 Sec. 9026.052. DIRECTOR'S BOND. (a) Each director shall  
6 qualify by giving bond in the amount of \$5,000 for the faithful  
7 performance of the director's duties.

8 (b) The bonds must be recorded in a record book kept for that  
9 purpose in the district office. (Acts 61st Leg., R.S., Ch. 261,  
10 Sec. 10 (part).)

11 Source Law

12 Sec. 10. . . . Each director shall qualify by  
13 . . . giving bond in the amount of \$5,000 for the  
14 faithful performance of his duties. . . . The bonds of  
15 directors . . . shall be recorded in a record book kept  
16 for that purpose in the office of the district. . . .

17 Revisor's Note

18 (1) Section 10, Chapter 261, Acts of the 61st  
19 Legislature, Regular Session, 1969, provides that each  
20 director shall qualify by subscribing to the  
21 constitutional oath of office. The revised law omits  
22 that provision because Section 1, Article XVI, Texas  
23 Constitution, requires all officers in this state to  
24 take the oath (or affirmation) before assuming office.  
25 The omitted law reads:

26 Sec. 10. . . . [Each director shall  
27 qualify by] subscribing to the  
28 constitutional oath of office and . . . .

29 (2) Section 10, Chapter 261, Acts of the 61st  
30 Legislature, Regular Session, 1969, provides that the  
31 district shall pay the cost of a director's bond and  
32 that the bond shall be approved by the board. The  
33 revised law omits that provision because it  
34 duplicates, in substance, Section 49.055(c), Water  
35 Code. The omitted law reads:

36 Sec. 10. . . . The cost of such bond  
37 shall be paid by the district. . . . [The  
38 bonds of directors] elected or appointed  
39 after the directors named below shall be

1 approved by the district's board of  
2 directors and . . . .

3 (3) Section 10, Chapter 261, Acts of the 61st  
4 Legislature, Regular Session, 1969, requires each  
5 director to give bond and provides that "[s]uch bond"  
6 shall be approved by the county judge and filed in the  
7 office of the county clerk of the county or counties  
8 within which the district is located. That section  
9 also provides that the bonds of directors elected or  
10 appointed after the initial directors shall be  
11 approved by the board and shall be recorded in a record  
12 book kept for that purpose in the district office.  
13 Because the provision requiring directors' bonds to be  
14 approved by the county judge and filed in the county  
15 clerk's office is followed by a provision requiring  
16 bonds of successor directors to be approved by the  
17 board and recorded in the district's record book, it  
18 appears from the context that the provision requiring  
19 directors' bonds to be approved by the county judge and  
20 filed in the office of the county clerk applies only to  
21 the bond of an initial director. Accordingly, the  
22 revised law omits that provision as executed. The  
23 omitted law reads:

24 Sec. 10. . . . Such bond shall be  
25 approved by the county judge and filed in  
26 the office of the county clerk of the county  
27 or counties within which district is  
28 located. . . .

29 Revised Law

30 Sec. 9026.053. BOARD VACANCY. (a) Except as provided by  
31 Subsection (b), a vacancy in the office of director shall be filled  
32 in the manner provided by Section 49.105, Water Code.

33 (b) The county judge of the county in which the district is  
34 located shall appoint directors to fill all of the vacancies on the  
35 board whenever the number of qualified directors is less than  
36 three. (Acts 61st Leg., R.S., Ch. 261, Sec. 10 (part).)





1 a newspaper of general circulation in each county in which the  
2 district is located.

3 (c) A district office may be a private residence or office.  
4 A district office that is a private residence or office is a public  
5 place for matters relating to the district's business.

6 (d) The board shall give notice of any change in the  
7 location of the district office outside the district in the manner  
8 required by Subsection (b). (Acts 61st Leg., R.S., Ch. 261, Sec.  
9 15.)

10 Source Law

11 Sec. 15. The board of directors shall  
12 designate, establish and maintain a district office as  
13 provided by Article 7880-44 (Vernon's Texas Civil  
14 Statutes), and in addition may establish a second  
15 district office outside the district. Either or both  
16 district offices so established and maintained may be  
17 a private residence, office or dwelling, in which  
18 event such private residence, office or dwelling is  
19 hereby declared to be a public place for matters  
20 relating to the district's business.

21 If the board of directors establishes a district  
22 office outside the district, it shall give notice of  
23 the location of that district office by filing a true  
24 copy of its resolution establishing the location of  
25 such district office with the Texas Water Rights  
26 Commission, by filing a true copy in the Water Control  
27 and Improvement District records of the county or  
28 counties in which district is located, and by  
29 publishing a notice of the location in a newspaper of  
30 general circulation in said county or counties.

31 If the location of the district office outside  
32 the district is thereafter changed, notice of such  
33 change shall be given in the same manner.

34 Revisor's Note

35 (1) Section 15, Chapter 261, Acts of the 61st  
36 Legislature, Regular Session, 1969, refers to Article  
37 7880-44, Vernon's Texas Civil Statutes. Article  
38 7880-44 was codified by Chapter 58, Acts of the 62nd  
39 Legislature, Regular Session, 1971, as Sections 51.094  
40 and 51.096, Water Code, relating to the district  
41 office and the minutes and records of the district,  
42 respectively. Chapter 1248, Acts of the 71st  
43 Legislature, Regular Session, 1989, repealed Section  
44 51.096, Water Code, and enacted Section 50.029, Water  
45 Code, relating to the keeping of minutes and records

1 for the district. Chapter 715, Acts of the 74th  
2 Legislature, Regular Session, 1995, repealed Sections  
3 50.029 and 51.094, Water Code, and enacted Section  
4 49.062, Water Code, to govern the designation of  
5 offices for certain districts, including water control  
6 and improvement districts. The revised law is drafted  
7 accordingly.

8 (2) Section 15, Chapter 261, Acts of the 61st  
9 Legislature, Regular Session, 1969, refers to a  
10 "private residence" or "dwelling" used as a district  
11 office. The revised law omits "dwelling" because, in  
12 context, the meaning of that term is included in the  
13 meaning of "private residence."

14 (3) Section 15, Chapter 261, Acts of the 61st  
15 Legislature, Regular Session, 1969, refers to a "true  
16 copy" of a document. The revised law omits "true"  
17 because a copy, by definition, accurately reflects the  
18 content of the original document.

19 (4) Section 15, Chapter 261, Acts of the 61st  
20 Legislature, Regular Session, 1969, refers to the  
21 "Texas Water Rights Commission." The revised law  
22 substitutes "Texas Commission on Environmental  
23 Quality" for "Texas Water Rights Commission" to  
24 reflect the current name of the agency with the  
25 relevant regulatory authority.

26 Revisor's Note  
27 (End of Subchapter)

28 (1) Section 10, Chapter 261, Acts of the 61st  
29 Legislature, Regular Session, 1969, provides that each  
30 director shall serve until the director's successor is  
31 elected or appointed and qualified. The revised law  
32 omits that provision because Section 17, Article XVI,  
33 Texas Constitution, requires an officer in this state  
34 to continue to perform the officer's duties until a  
35 successor has qualified. The omitted law reads:

1           Sec. 10. . . . Each director shall  
2           serve for his term of office as herein  
3           provided, and thereafter until his  
4           successor shall be elected or appointed and  
5           qualified. . . .

6           (2) Section 10, Chapter 261, Acts of the 61st  
7           Legislature, Regular Session, 1969, names the initial  
8           directors, requires them to qualify to serve as  
9           directors before the first board meeting, and provides  
10          that the named directors or their successors shall  
11          serve until the second Tuesday in January 1971. The  
12          revised law omits those provisions as executed. The  
13          omitted law reads:

14           Sec. 10. . . . Immediately after  
15           this Act becomes effective, the following  
16           named persons shall be the directors of the  
17           district and shall constitute the board of  
18           directors of the district:

19                   Chester Rogers  
20                   Mrs. C.W. Plato  
21                   Jeff E. Flemming  
22                   S.W. Nowlin  
23                   E.W. Newman

24           Said persons shall file their bonds as soon  
25           as practicable after the effective date of  
26           this Act and shall otherwise be fully  
27           qualified to serve as directors prior to the  
28           first meeting of the board of directors.  
29           . . . The directors above named or their  
30           duly appointed and qualified successor or  
31           successors shall serve until the second  
32           Tuesday in January, 1971. . . .

33          (3) Section 10, Chapter 261, Acts of the 61st  
34          Legislature, Regular Session, 1969, provides for  
35          directors to be elected or appointed and to serve for  
36          the term and in the manner provided by Article 7880-37,  
37          Vernon's Texas Civil Statutes. Article 7880-37 was  
38          codified by Chapter 58, Acts of the 62nd Legislature,  
39          Regular Session, 1971, as Section 51.073, Water Code.  
40          Chapter 715, Acts of the 74th Legislature, Regular  
41          Session, 1995, repealed Section 51.073, Water Code,  
42          and enacted Section 49.103, Water Code, to govern the  
43          terms of office of a director of a water control and  
44          improvement district and certain other water districts  
45          that are required by law to elect their directors.

1 Section 49.103, Water Code, applies to the district  
2 without an express reference to that section by this  
3 chapter. The revised law omits "appointed" because it  
4 is clear from the context of Section 10 that the  
5 reference applies only to directors appointed to fill  
6 vacancies as provided by Chapter 49, Water Code. The  
7 omitted law reads:

8 Sec. 10. . . . [Succeeding directors  
9 shall be elected or] appointed and shall  
10 serve for the term and in the manner  
11 provided by Article 7880-37 (Vernon's Texas  
12 Civil Statutes). . . .

13 (4) Section 10, Chapter 261, Acts of the 61st  
14 Legislature, Regular Session, 1969, provides that  
15 three directors constitute a quorum and that a  
16 concurrence of three directors is sufficient in all  
17 matters relating to the business of the district,  
18 including certain construction matters. The revised  
19 law omits that provision because it duplicates, in  
20 substance, Section 49.053, Water Code. The omitted  
21 law reads:

22 Sec. 10. . . . Three directors shall  
23 constitute a quorum of any meeting, and a  
24 concurrence of three shall be sufficient in  
25 all matters pertaining to the business of  
26 the district, including the letting of  
27 construction contracts and the drawing of  
28 warrants in payment for construction work,  
29 the purchase of existing facilities, and  
30 matters relating to construction  
31 work. . . .

32 [Sections 9026.057-9026.100 reserved for expansion]

### 33 SUBCHAPTER C. POWERS AND DUTIES

#### 34 Revised Law

35 Sec. 9026.101. WATER CONTROL AND IMPROVEMENT DISTRICT  
36 POWERS. The district has all of the rights, powers, privileges, and  
37 functions provided by general law applicable to water control and  
38 improvement districts created under Section 59, Article XVI, Texas  
39 Constitution, including Chapters 49 and 51, Water Code. (Acts 61st  
40 Leg., R.S., Ch. 261, Sec. 5 (part).)



1 limitation" the powers conferred by Chapter 3A, Title  
2 128, Vernon's Texas Civil Statutes. The revised law  
3 omits "without limitation" because Section  
4 311.005(13), Government Code (Code Construction Act),  
5 provides that "includes" and "including" are terms of  
6 enlargement and not limitation and do not create a  
7 presumption that components not expressed are  
8 excluded.

9 (5) Section 5, Chapter 261, Acts of the 61st  
10 Legislature, Regular Session, 1969, refers to "Chapter  
11 3A, Title 128 (Vernon's Texas Civil Statutes)." The  
12 relevant provisions of that statute were codified by  
13 Chapter 58, Acts of the 62nd Legislature, Regular  
14 Session, 1971, as Chapter 51, Water Code. In 1995,  
15 Chapter 715, Acts of the 74th Legislature, Regular  
16 Session, repealed many provisions of Chapter 51, Water  
17 Code, and enacted similar provisions in Chapter 49,  
18 Water Code. To reflect those changes, the revised law  
19 substitutes a reference to Chapters 49 and 51, Water  
20 Code, for the reference to "Chapter 3A, Title 128  
21 (Vernon's Texas Civil Statutes)."

22 Revised Law

23 Sec. 9026.102. ADDITIONAL POWERS. (a) The district may:

24 (1) make, purchase, construct, lease, or otherwise  
25 acquire property, works, facilities, or improvements, existing or  
26 to be made, constructed, or acquired, inside or outside the  
27 district's boundaries and necessary to carry out the powers granted  
28 by this chapter or general law; or

29 (2) enter into a contract with a person on terms the  
30 board considers desirable, fair, and advantageous for:

31 (A) the purchase or sale of water;

32 (B) the transportation, treatment, and disposal  
33 of the domestic, industrial, or communal wastes of the district or  
34 others;

1 (C) the continuing and orderly development of  
2 land and property in the district through the purchase,  
3 construction, or installation of facilities, works, or  
4 improvements that the district is otherwise authorized to do or  
5 perform so that, to the greatest extent reasonably possible,  
6 considering sound engineering and economic practices, all of the  
7 land and property may ultimately receive the services of the  
8 facilities, works, or improvements; and

9 (D) the performance of any of the rights or  
10 powers granted by this chapter or general law.

11 (b) A contract under Subsection (a)(2) may not have a  
12 duration of more than 40 years. (Acts 61st Leg., R.S., Ch. 261,  
13 Sec. 5(part).)

14 Source Law

15 Sec. 5. . . . Not by way of limitation, the  
16 district shall have and is hereby expressly granted  
17 the following rights, powers, privileges, and  
18 functions:

19 (a) The power and authority to make,  
20 purchase, construct, lease, or otherwise acquire  
21 property, works, facilities, and improvements  
22 (whether previously existing or to be made,  
23 constructed, or acquired) within or without the  
24 boundaries of the district necessary to carry out the  
25 powers and authority granted by this Act and the  
26 general laws.

27 (b) The right, power, and authority to  
28 enter into contracts of not exceeding 40 years  
29 duration with persons, corporations (public or  
30 private), municipal corporations, political  
31 subdivisions of the State of Texas, and others, and on  
32 such terms and conditions as the board of directors may  
33 deem desirable, fair, and advantageous for:

34 (1) the purchase and sale of water,  
35 or either;

36 (2) the transportation, treatment  
37 and disposal of its domestic, industrial or communal  
38 wastes or the transportation, treatment and disposal  
39 of domestic, industrial or communal wastes of others;

40 (3) the continuing and orderly  
41 development of the lands and property within the  
42 district through the purchase, construction or  
43 installation of facilities, works or improvements  
44 which the district may otherwise be empowered and  
45 authorized to do or perform so that, to the greatest  
46 extent reasonably possible, considering sound  
47 engineering and economic practices, all of such lands  
48 and property may be placed in a position to ultimately  
49 receive the services of such facilities, works or  
50 improvements; and

51 (4) the performance of any of the  
52 rights or powers granted in this Act and the general  
53 laws. . . .

1 Revisor's Note

2 (1) Section 5, Chapter 261, Acts of the 61st  
3 Legislature, Regular Session, 1969, provides that,  
4 "[n]ot by way of limitation," the district is granted  
5 certain specified rights, powers, privileges, and  
6 functions. The revised law omits the quoted language  
7 because it is an accepted general principle of  
8 statutory construction that a grant of a right, power,  
9 privilege, or function does not act as a limitation.  
10 The general principle applies to this revision.

11 (2) Section 5, Chapter 261, Acts of the 61st  
12 Legislature, Regular Session, 1969, provides that the  
13 district "shall have and is hereby expressly granted  
14 the following rights, powers, privileges, and  
15 functions" and that the district has the "power and  
16 authority" and the "right, power, and authority" to  
17 take certain actions. The revised law substitutes  
18 "may" for the quoted language because that term is more  
19 concise and is the substantive equivalent of the  
20 quoted language.

21 (3) Section 5, Chapter 261, Acts of the 61st  
22 Legislature, Regular Session, 1969, refers to the  
23 power of the district to enter into contracts with  
24 persons, "corporations (public or private), municipal  
25 corporations, political subdivisions of the State of  
26 Texas, and others." The revised law omits the quoted  
27 language because under Section 311.005(2), Government  
28 Code (Code Construction Act), "person" is defined to  
29 include any legal entity.

30 (4) Section 5, Chapter 261, Acts of the 61st  
31 Legislature, Regular Session, 1969, provides that the  
32 district may enter into a contract on "terms and  
33 conditions" the board considers desirable, fair, and  
34 advantageous. The revised law omits "conditions"

1 because "conditions" is included in the meaning of  
2 "terms."

3 Revised Law

4 Sec. 9026.103. LIMIT ON EMINENT DOMAIN. The district may  
5 exercise the power of eminent domain only:

6 (1) in a county in which the district is located; and

7 (2) when necessary to carry out the purposes for which  
8 the district was created. (Acts 61st Leg., R.S., Ch. 261, Sec. 13  
9 (part).)

10 Source Law

11 Sec. 13. The power of eminent domain of the  
12 district shall be limited to the county or counties in  
13 which the district is situated, and to situations  
14 where the exercise of such power is necessary in order  
15 to carry out the purposes for which the district was  
16 created. . . .

17 Revised Law

18 Sec. 9026.104. COST OF RELOCATING OR ALTERING PROPERTY.

19 (a) In this section, "sole expense" means the actual cost of  
20 relocating, raising, lowering, rerouting, changing the grade of, or  
21 altering the construction of a facility described by Subsection (b)  
22 in providing comparable replacement without enhancement of the  
23 facility, after deducting from that cost the net salvage value of  
24 the old facility.

25 (b) If the district's exercise of the power of eminent  
26 domain, power of relocation, or any other power granted by this  
27 chapter makes necessary the relocation, raising, rerouting,  
28 changing the grade, or alteration of the construction of a highway,  
29 a railroad, an electric transmission line, a telegraph or telephone  
30 property or facility, or a pipeline, the necessary action shall be  
31 accomplished at the sole expense of the district. (Acts 61st Leg.,  
32 R.S., Ch. 261, Sec. 13 (part).)

33 Source Law

34 Sec. 13. . . . In the event that the district,  
35 in the exercise of the power of eminent domain or power  
36 of relocation, or any other power granted hereunder,  
37 makes necessary the relocation, raising, rerouting or  
38 changing the grade of, or altering the construction  
39 of, any highway, railroad, electric transmission line,  
40 telegraph or telephone properties and facilities, or

1 pipeline, all such necessary relocation, raising,  
2 rerouting, changing of grade or alteration of  
3 construction shall be accomplished at the sole expense  
4 of the district. The term "sole expense" shall mean  
5 the actual cost of such relocation, raising, lowering,  
6 rerouting, or change in grade or alteration of  
7 construction in providing comparable replacement  
8 without enhancement of such facilities, after  
9 deducting therefrom the net salvage value derived from  
10 the old facility.

11 Revised Law

12 Sec. 9026.105. WATER, SEWER, OR DRAINAGE CONTRACTS;  
13 ELECTION NOT REQUIRED; BONDS. (a) The district and a political  
14 subdivision may enter into a water, sewer, or drainage contract or  
15 any combination of those contracts without an election by any  
16 contracting party to approve the contract.

17 (b) The district may pay for an obligation incurred under a  
18 contract under this section by issuing bonds that, if otherwise  
19 necessary, have been approved by the voters in the manner provided  
20 by this chapter.

21 (c) The district may deliver the district's bonds to the  
22 United States or an agency or instrumentality of the United States,  
23 or to this state or an agency or instrumentality of this state, that  
24 enters into a contract with the district under this section. (Acts  
25 61st Leg., R.S., Ch. 261, Sec. 5 (part).)

26 Source Law

27 Sec. 5. . . . No election shall be required of  
28 the district or any municipal corporation or other  
29 political subdivisions for approval of water, sewer or  
30 drainage contracts or any combination thereof, but  
31 such contracts may be entered into without the  
32 necessity of an election by any contracting party. The  
33 district may make payment of the obligations incurred  
34 by any such contract by the issuance of bonds which, if  
35 otherwise necessary, have been approved by the voters  
36 in the manner provided for in this Act. The district  
37 may deliver its bonds to the United States, or any  
38 agency or instrumentality thereof, or to the State of  
39 Texas, or any agency or instrumentality thereof, which  
40 entered into such contracts with the district.

41 Revisor's Note

42 Section 5, Chapter 261, Acts of the 61st  
43 Legislature, Regular Session, 1969, provides that the  
44 district may contract with "any municipal corporation  
45 or other political subdivisions." The revised law  
46 omits "any municipal corporation" because "municipal

1 corporation" is included in the meaning of "political  
2 subdivision."

3 Revised Law

4 Sec. 9026.106. NOTICE OF ELECTION. Notice of an election  
5 may be given under the hand of the board president or secretary.  
6 (Acts 61st Leg., R.S., Ch. 261, Sec. 19.)

7 Source Law

8 Sec. 19. Notice of all elections may be given  
9 under the hand of either the president or the secretary  
10 of the district.

11 Revised Law

12 Sec. 9026.107. DISTRICT RULES. The district shall adopt  
13 and enforce reasonable and effective rules to secure and maintain  
14 safe, sanitary, and adequate plumbing installations, connections,  
15 and appurtenances, as subsidiary parts of the district's sewerage  
16 system, to aid in preserving the quality of water within or  
17 controlled by the district. (Acts 61st Leg., R.S., Ch. 261, Sec.  
18 16.)

19 Source Law

20 Sec. 16. The district is directed to adopt and  
21 enforce reasonable and effective regulations to secure  
22 and maintain safe, sanitary, and adequate plumbing  
23 installations, connections, and appurtenances  
24 thereto, as subsidiary parts of the district's  
25 sewerage system, to aid in preserving the quality of  
26 all water within or controlled by the district.

27 Revisor's Note

28 Section 16, Chapter 261, Acts of the 61st  
29 Legislature, Regular Session, 1969, provides that the  
30 district shall adopt certain "regulations." The  
31 revised law substitutes "rules" because under Section  
32 311.005(5), Government Code (Code Construction Act),  
33 "rule" is defined to include "regulation," and "rule"  
34 is the term more commonly used.

35 [Sections 9026.108-9026.150 reserved for expansion]

36 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

37 Revised Law

38 Sec. 9026.151. TAX METHOD. (a) The district shall use the

1 ad valorem plan of taxation.

2 (b) The board is not required to call or hold a hearing on  
3 the adoption of a plan of taxation. (Acts 61st Leg., R.S., Ch. 261,  
4 Sec. 8.)

5 Source Law

6 Sec. 8. It shall not be necessary for the board  
7 of directors to call or hold a hearing on the adoption  
8 of a plan of taxation, but the ad valorem plan of  
9 taxation shall be used by the district.

10 Revised Law

11 Sec. 9026.152. DISTRICT ACCOUNTS. The district shall keep  
12 a complete system of the district's accounts. (Acts 61st Leg.,  
13 R.S., Ch. 261, Sec. 14 (part).)

14 Source Law

15 Sec. 14. . . . A complete system of accounts  
16 shall be kept by the district, and . . . .

17 Revised Law

18 Sec. 9026.153. COPY OF AUDIT REPORT. A copy of the audit  
19 report prepared under Subchapter G, Chapter 49, Water Code, shall  
20 be delivered:

- 21 (1) to each director; and  
22 (2) to a holder of at least 25 percent of the  
23 outstanding bonds of the district, on request. (Acts 61st Leg.,  
24 R.S., Ch. 261, Sec. 14 (part); New.)

25 Source Law

26 Sec. 14. . . . A written report of the audit  
27 shall be delivered to each member of the board of  
28 directors . . . a copy of such audit report shall be  
29 delivered upon request to the holder or holders of at  
30 least 25 percent of the then outstanding bonds of the  
31 district; and . . . .

32 Revisor's Note

33 (1) Section 14, Chapter 261, Acts of the 61st  
34 Legislature, Regular Session, 1969, refers to various  
35 audit procedures, including who may receive a copy of  
36 the audit report. As detailed in the revisor's notes  
37 that follow, procedures that are superseded by  
38 Subchapter G, Chapter 49, Water Code, have been  
39 omitted as superseded by Section 49.191(b), Water

1 Code, and the specific provisions in Subchapter G that  
2 conflict with Chapter 261, Acts of the 61st  
3 Legislature, Regular Session, 1969. Section 49.191(b)  
4 states that Subchapter G "shall take precedence over  
5 all prior statutory enactments." Subchapter G,  
6 Chapter 49, Water Code, was enacted in 1995 by Section  
7 2, Chapter 715, Acts of the 74th Legislature, Regular  
8 Session. For context and the convenience of the  
9 reader, the revised law adds a reference to the audit  
10 report required by Subchapter G, Chapter 49, Water  
11 Code.

12 (2) Section 14, Chapter 261, Acts of the 61st  
13 Legislature, Regular Session, 1969, provides that an  
14 annual audit of the district's affairs shall be  
15 prepared by an independent certified public accountant  
16 or a firm of independent certified public accountants  
17 of recognized integrity and ability. The revised law  
18 omits that provision as superseded by Sections  
19 49.191(b) and (c), Water Code (enacted by Section 2,  
20 Chapter 715, Acts of the 74th Legislature, Regular  
21 Session, 1995). The omitted law reads:

22 Sec. 14. . . . an audit of its  
23 affairs for each year shall be prepared by  
24 an independent certified public accountant,  
25 or a firm of independent certified public  
26 accountants, of recognized integrity and  
27 ability. . . .

28 (3) Section 14, Chapter 261, Acts of the 61st  
29 Legislature, Regular Session, 1969, provides that a  
30 written report of the audit shall be delivered to each  
31 board member not later than 90 days after the close of  
32 each fiscal year. The revised law omits the deadline  
33 for delivery of the report as superseded by Sections  
34 49.191(b) and (d), Water Code (enacted by Section 2,  
35 Chapter 715, Acts of the 74th Legislature, Regular  
36 Session, 1995). The omitted law reads:

37 Sec. 14. . . . [A written report of

1 the audit shall be delivered to each member  
2 of the board of directors] not later than 90  
3 days after the close of each fiscal year;  
4 and . . . .

5 (4) Section 14, Chapter 261, Acts of the 61st  
6 Legislature, Regular Session, 1969, provides that at  
7 least five copies of the audit report shall be  
8 delivered to the district office and that one of those  
9 copies shall constitute a public record. The revised  
10 law omits those provisions as superseded by Sections  
11 49.191(b), 49.194(c), and 49.196(b), Water Code  
12 (enacted by Section 2, Chapter 715, Acts of the 74th  
13 Legislature, Regular Session, 1995). The omitted law  
14 reads:

15 Sec. 14. . . . at least five  
16 additional copies of said audit shall be  
17 delivered to the office of the district, one  
18 of which shall be kept on file, and shall  
19 constitute a public record open to  
20 inspection by any interested person or  
21 persons within normal office hours; and  
22 . . . .

23 (5) Section 14, Chapter 261, Acts of the 61st  
24 Legislature, Regular Session, 1969, provides that one  
25 copy of the audit report shall be filed with the Texas  
26 Water Rights Commission. The revised law omits that  
27 provision as superseded by Sections 49.191(b) and  
28 49.194(a), Water Code (enacted by Section 2, Chapter  
29 715, Acts of the 74th Legislature, Regular Session,  
30 1995). The omitted law reads:

31 Sec. 14. . . . one copy of such audit  
32 report shall be filed with the Texas Water  
33 Rights Commission. . . .

34 (6) Section 14, Chapter 261, Acts of the 61st  
35 Legislature, Regular Session, 1969, provides that the  
36 district shall pay the cost of the audit. The revised  
37 law omits that provision because it duplicates Section  
38 49.191(a), Water Code. The omitted law reads:

39 Sec. 14. . . . The cost of said audit  
40 shall be borne by the district.

1 Revised Law

2 Sec. 9026.154. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

3 The district is not required to pay a tax or assessment on:

4 (1) district property; or

5 (2) a purchase made by the district. (Acts 61st Leg.,  
6 R.S., Ch. 261, Sec. 24 (part).)

7 Source Law

8 Sec. 24. . . . the district shall not be  
9 required to pay any tax or assessment on its properties  
10 or any part thereof or on any purchases made by the  
11 district.

12 Revised Law

13 Sec. 9026.155. DEPOSITORY. (a) The board shall select one  
14 or more banks in this state to act as depository for the district's  
15 money.

16 (b) To the extent that money in the depository bank is not  
17 insured by the Federal Deposit Insurance Corporation, the money  
18 must be secured in the manner provided by law for the security of  
19 county funds.

20 (c) A director may be a shareholder in a bank that is a  
21 depository of district money. (Acts 61st Leg., R.S., Ch. 261, Sec.  
22 14 (part).)

23 Source Law

24 Sec. 14. The board of directors of the district  
25 shall select any bank or banks in the State of Texas to  
26 act as depository or depositories for the funds of the  
27 district. To the extent that funds in the depository  
28 bank or banks are not insured by the Federal Deposit  
29 Insurance Corporation, they shall be secured in the  
30 manner provided by law for the security of county  
31 funds. Any director of the district may be a  
32 shareholder in said depository bank or banks. . . .

33 Revisor's Note

34 Section 14, Chapter 261, Acts of the 61st  
35 Legislature, Regular Session, 1969, refers to the  
36 district's "funds." Throughout this chapter, the  
37 revised law substitutes "money" for "funds" because,  
38 in the context of district funds, the meaning is the  
39 same and "money" is the more commonly used term.

1 Revisor's Note  
2 (End of Subchapter)

3 Section 14, Chapter 261, Acts of the 61st  
4 Legislature, Regular Session, 1969, provides that the  
5 district's fiscal year is January 1 to December 31  
6 unless changed by the board. The revised law omits the  
7 provision specifying the dates of the fiscal year  
8 because the board has already changed the district's  
9 fiscal year. The revised law omits the provision  
10 allowing the board to change the district's fiscal year  
11 because it duplicates in substance Section 49.158,  
12 Water Code. The omitted law reads:

13 Sec. 14. . . . The fiscal year of the  
14 district shall be from January 1 to December  
15 31 of the same year, unless and until  
16 changed by the board of directors. . . .

17 [Sections 9026.156-9026.200 reserved for expansion]

18 SUBCHAPTER E. BONDS

19 Revised Law

20 Sec. 9026.201. ISSUANCE OF BONDS. (a) The district may  
21 issue tax bonds, revenue bonds, or tax and revenue bonds to provide  
22 money for any purpose of this chapter, including the acquisition of  
23 land.

24 (b) The district must issue bonds in the manner provided by  
25 Chapters 49 and 51, Water Code, except that the district may issue  
26 bonds payable solely from net revenue by resolution or order of the  
27 board without an election.

28 (c) Bonds issued under this subchapter may be payable from  
29 all or any designated part of the revenue of district property and  
30 facilities or under a specific contract, as provided in the order or  
31 resolution authorizing the issuance of the bonds. (Acts 61st Leg.,  
32 R.S., Ch. 261, Sec. 12 (part).)

33 Source Law

34 Sec. 12. The district is hereby authorized to  
35 issue its negotiable tax bonds, revenue bonds, or tax  
36 and revenue bonds to provide funds for any or all of  
37 the purposes set out or incorporated by reference  
38 herein, including the acquisition of land therefor,  
39 and said bonds shall be issued in the manner provided  
40 and as authorized by Article 7880-90a (Vernon's Texas

1 Civil Statutes), and Chapter 3A of Title 128 (Vernon's  
2 Texas Civil Statutes), as presently in effect or as  
3 hereafter amended; provided, however, that bonds  
4 payable solely from net revenues may be issued by  
5 resolution or order of the board of directors and no  
6 election therefor shall be necessary.

7 The bonds issued hereunder may be payable from  
8 all or any designated part or parts of the revenues of  
9 the district's properties and facilities or under  
10 specific contracts, as may be provided in the orders or  
11 resolutions authorizing the issuance of such bonds;  
12 and, . . . .

13 Revisor's Note

14 (1) Section 12, Chapter 261, Acts of the 61st  
15 Legislature, Regular Session, 1969, authorizes the  
16 district to issue "negotiable" bonds. The revised law  
17 omits "negotiable" because, under Section 1201.041,  
18 Government Code, a public security is a negotiable  
19 instrument. Section 1201.041 applies to district  
20 bonds under Sections 1201.002 and 1201.003, Government  
21 Code.

22 (2) Section 12, Chapter 261, Acts of the 61st  
23 Legislature, Regular Session, 1969, provides that  
24 district bonds shall be issued in the manner provided  
25 and as authorized by "Article 7880-90a (Vernon's Texas  
26 Civil Statutes), and Chapter 3A of Title 128 (Vernon's  
27 Texas Civil Statutes)." The revised law substitutes a  
28 reference to Chapters 49 and 51, Water Code, for the  
29 source law reference to Chapter 3A, Title 128, Vernon's  
30 Texas Civil Statutes, for the reasons stated in  
31 Revisor's Note (5) to Section 9026.101. Further,  
32 because Article 7880-90a was codified by Chapter 58,  
33 Acts of the 62nd Legislature, Regular Session, 1971,  
34 as Sections 51.450-51.454, Water Code, the revised law  
35 omits an additional reference to those specific  
36 sections of Chapter 51 as unnecessary.

37 (3) Section 12, Chapter 261, Acts of the 61st  
38 Legislature, Regular Session, 1969, refers to the  
39 district's authority to issue bonds under Chapter 3A,  
40 Title 128, and Article 7880-90a, Vernon's Texas Civil

1 Statutes, "as presently in effect or as hereafter  
2 amended." The revised law omits the quoted language  
3 because, under Section 311.027, Government Code (Code  
4 Construction Act), a reference to a statute applies to  
5 all reenactments, revisions, or amendments of that  
6 statute, unless expressly provided otherwise.

7 (4) Section 12, Chapter 261, Acts of the 61st  
8 Legislature, Regular Session, 1969, provides that  
9 Chapter 3A, Title 128, Vernon's Texas Civil Statutes,  
10 applies to district bonds except when Chapter 3A is  
11 inconsistent or in conflict with Section 12. The  
12 revised law omits this provision for the reason stated  
13 in Revisor's Note (1) to the end of Subchapter A. The  
14 omitted law reads:

15 Sec. 12. . . . except as the same may  
16 be inconsistent or in conflict with the  
17 provisions of this Act, the provisions of  
18 said Chapter 3A of Title 128 (Vernon's Texas  
19 Civil Statutes), as presently in effect or  
20 as hereafter amended, shall apply to all  
21 bonds issued under the provisions of this  
22 Act (the provisions of this Act to govern  
23 and take precedence in the event of any such  
24 inconsistency or conflict). . . .

25 Revised Law

26 Sec. 9026.202. ADDITIONAL SECURITY. (a) Within the  
27 discretion of the board, bonds issued under this subchapter may be  
28 additionally secured by a deed of trust or mortgage lien on physical  
29 property of the district and franchises, easements, water rights  
30 and appropriation permits, leases, contracts, and all rights  
31 appurtenant to that property, vesting in the trustee:

32 (1) the power to sell the property for payment of the  
33 debt;

34 (2) the power to operate the property; and

35 (3) all other powers to further secure the bonds.

36 (b) A purchaser under a sale under the deed of trust or  
37 mortgage lien, if one is given:

38 (1) is the absolute owner of the property, facilities,  
39 and rights purchased; and

1 (2) may maintain and operate the property and  
2 facilities. (Acts 61st Leg., R.S., Ch. 261, Sec. 12 (part).)

3 Source Law

4 Sec. 12. . . . Such bonds, within the  
5 discretion of the board of directors, may be  
6 additionally secured by a deed of trust or mortgage  
7 lien upon part or all of the physical properties of the  
8 district, and franchises, easements, water rights and  
9 appropriation permits, leases, and contracts and all  
10 rights appurtenant to such properties, vesting in the  
11 trustee power to sell such properties for payment of  
12 the indebtedness, power to operate the properties and  
13 all other powers and authority for the further  
14 security of the bonds. . . . Any purchaser under a  
15 sale under the deed of trust or mortgage lien, where  
16 one is given, shall be absolute owner of the  
17 properties, facilities, and rights so purchased and  
18 shall have the right to maintain and operate  
19 same. . . .

20 Revisor's Note

21 Section 12, Chapter 261, Acts of the 61st  
22 Legislature, Regular Session, 1969, refers to a  
23 trustee's "powers and authority" to further secure the  
24 bonds. The revised law omits "authority" because  
25 "authority" is included in the meaning of "powers."

26 Revised Law

27 Sec. 9026.203. TRUST INDENTURE. A trust indenture created  
28 under Section 9026.202, regardless of the existence of a deed of  
29 trust or mortgage lien on the property, may:

30 (1) contain provisions prescribed by the board for the  
31 security of the bonds and the preservation of the trust estate;

32 (2) provide for amendment or modification of the trust  
33 indenture;

34 (3) provide for the issuance of bonds to replace lost  
35 or mutilated bonds;

36 (4) condition the right to spend district money or  
37 sell district property on the approval of a licensed engineer  
38 selected as provided by the trust indenture; and

39 (5) provide for the investment of district money.

40 (Acts 61st Leg., R.S., Ch. 261, Sec. 12 (part).)

41 Source Law

42 Sec. 12. . . . Such trust indenture,

1 regardless of the existence of the deed of trust or  
2 mortgage lien on the properties, may contain  
3 provisions prescribed by the board of directors for  
4 the security of the bonds and the preservation of the  
5 trust estate, and may make provisions for amendment or  
6 modification thereof and the issuance of bonds to  
7 replace lost or mutilated bonds, and may condition the  
8 right to expend district money or sell district  
9 property upon approval of a registered professional  
10 engineer selected as provided therein and may make  
11 provision for investment of funds of the  
12 district. . . .

13 Revisor's Note

14 Section 12, Chapter 261, Acts of the 61st  
15 Legislature, Regular Session, 1969, refers to a  
16 "registered professional engineer." The revised law  
17 substitutes "licensed engineer" for the quoted  
18 language to conform to the terminology used in Chapter  
19 1001, Occupations Code. Under Chapter 1001,  
20 Occupations Code, engineers are licensed, not  
21 registered. The revised law is drafted accordingly.

22 Revised Law

23 Sec. 9026.204. ORDER OR RESOLUTION AUTHORIZING ISSUANCE OF  
24 CERTAIN BONDS. (a) In an order or resolution authorizing the  
25 issuance of revenue, tax-revenue, revenue refunding, or  
26 tax-revenue refunding bonds, the board may:

27 (1) provide for:

28 (A) the flow of money; and

29 (B) the establishment and maintenance of the  
30 interest and sinking fund, reserve fund, or other fund;

31 (2) make additional covenants with respect to the  
32 bonds and the pledged revenue and the operation and maintenance of  
33 the improvements and facilities the revenue of which is pledged,  
34 including provisions for the operation or leasing of all or part of  
35 the improvements and facilities and the use or pledge of money  
36 received from the operation contract or lease as the board  
37 considers appropriate;

38 (3) prohibit the further issuance of bonds or other  
39 obligations payable from the pledged revenue or reserve the right  
40 to issue additional bonds to be secured by a pledge of and payable

1 from the revenue on a parity with, or subordinate to, the lien and  
2 pledge in support of the bonds being issued, subject to any  
3 conditions set forth in the order or resolution; and

4 (4) include any other provision or covenant, as the  
5 board determines, that is not prohibited by the Texas Constitution  
6 or this chapter.

7 (b) The board may adopt and execute any other proceeding or  
8 instrument necessary or convenient in the issuance of the bonds.  
9 (Acts 61st Leg., R.S., Ch. 261, Sec. 12 (part).)

10 Source Law

11 Sec. 12. . . . In the orders or resolutions  
12 authorizing the issuance of any revenue, tax-revenue,  
13 revenue refunding, or tax-revenue refunding bonds  
14 authorized hereunder, the district's board of  
15 directors may provide for the flow of funds, the  
16 establishment and maintenance of the interest and  
17 sinking fund or funds, reserve fund or funds, and other  
18 funds, and may make additional covenants with respect  
19 to the bonds and the pledged revenues and the operation  
20 and maintenance of those improvements and facilities  
21 (the revenues of which are pledged), including  
22 provisions for the operation or for the leasing of all  
23 or any part of said improvements and facilities and the  
24 use or pledge of moneys derived from such operation  
25 contracts and leases as such board may deem  
26 appropriate. Such orders or resolutions may also  
27 prohibit the further issuance of bonds or other  
28 obligations payable from the pledged revenues, or may  
29 reserve the right to issue additional bonds to be  
30 secured by a pledge of and payable from said revenues  
31 on a parity with, or subordinate to, the lien and  
32 pledge in support of the bonds being issued, subject to  
33 such conditions as are set forth in such orders or  
34 resolutions. Such orders or resolutions may contain  
35 other provisions and covenants, as the district's  
36 board of directors may determine, not prohibited by  
37 the Constitution of Texas or by this Act, and said  
38 board may adopt and cause to be executed any other  
39 proceedings or instruments necessary and/or  
40 convenient in the issuance of any such bonds. . . .

41 Revised Law

42 Sec. 9026.205. USE OF BOND PROCEEDS. (a) The district may  
43 appropriate or set aside out of proceeds from the sale of district  
44 bonds an amount for:

45 (1) the payment of interest, administrative, and  
46 operating expenses expected to accrue during the period of  
47 construction, as may be provided in the bond orders or resolutions;  
48 and

49 (2) the payment of all expenses incurred and to be

1 incurred in the issuance, sale, and delivery of the bonds.

2 (b) For purposes of this section, the period of construction  
3 may not exceed three years. (Acts 61st Leg., R.S., Ch. 261, Sec. 12  
4 (part).)

5 Source Law

6 Sec. 12. . . . From the proceeds of sale of any  
7 bonds issued hereunder, the district may appropriate  
8 or set aside out of the bond proceeds an amount for the  
9 payment of interest, administrative, and operating  
10 expenses expected to accrue during the period of  
11 construction, said period not to exceed three years,  
12 as may be provided in the bond orders or resolutions,  
13 and an amount necessary to pay all expenses incurred  
14 and to be incurred in the issuance, sale and delivery  
15 of the bonds. . . .

16 Revisor's Note  
17 (End of Subchapter)

18 (1) Section 11, Chapter 261, Acts of the 61st  
19 Legislature, Regular Session, 1969, provides that the  
20 district shall comply with the requirements of Article  
21 7880-139, Vernon's Texas Civil Statutes. Article  
22 7880-139 was codified by Chapter 58, Acts of the 62nd  
23 Legislature, Regular Session, 1971, as Sections 51.421  
24 and 51.422, Water Code. Chapter 715, Acts of the 74th  
25 Legislature, Regular Session, 1995, repealed Sections  
26 51.421 and 51.422, Water Code, and enacted Sections  
27 49.181 and 49.182, Water Code, to govern the authority  
28 of the Texas Commission on Environmental Quality over  
29 the issuance of district bonds and supervision by the  
30 commission of projects and improvements,  
31 respectively. The revised law omits this provision  
32 because Sections 49.181 and 49.182, Water Code, apply  
33 to the district on their own terms, without an express  
34 reference to those sections in this chapter. The  
35 omitted law reads:

36 Sec. 11. The district shall comply  
37 with the requirements of Article 7880-139  
38 (Vernon's Texas Civil Statutes).

39 (2) Section 12, Chapter 261, Acts of the 61st  
40 Legislature, Regular Session, 1969, provides for the

1 investment or placement of money established in a bond  
2 order. The revised law omits that provision because it  
3 duplicates, in substance, Section 49.157, Water Code,  
4 and is superseded by Subchapter A, Chapter 2256,  
5 Government Code (enacted as Chapter 889, Acts of the  
6 70th Legislature, Regular Session, 1987). The omitted  
7 law reads:

8           Sec. 12. . . . Moneys in the interest  
9 and sinking fund or funds and the reserve  
10 fund or funds, and in the other fund or  
11 funds established or provided for in the  
12 bond orders or resolutions may be invested  
13 in such manner and in such securities as may  
14 be provided in the bond order or orders or  
15 may be placed on interest-bearing time  
16 deposit. . . .

17           (3) Section 12, Chapter 261, Acts of the 61st  
18 Legislature, Regular Session, 1969, provides that bond  
19 proceeds may be invested in securities of the United  
20 States or placed on interest-bearing time deposit.  
21 The revised law omits that provision as superseded by  
22 Subchapter A, Chapter 2256, Government Code (enacted  
23 as Chapter 889, Acts of the 70th Legislature, Regular  
24 Session, 1987). The omitted law reads:

25           Sec. 12. . . . Until such time as the  
26 bond proceeds are needed to carry out the  
27 bond purposes, such proceeds may be  
28 invested in securities of the United States  
29 government or any agency thereof or may be  
30 placed on interest-bearing time deposit,  
31 either or both. . . .

32           (4) Section 12, Chapter 261, Acts of the 61st  
33 Legislature, Regular Session, 1969, provides that  
34 district bonds may be registered as to principal or as  
35 to principal and interest. The revised law omits that  
36 provision because it duplicates in substance Section  
37 1201.024, Government Code, which applies to district  
38 bonds under Sections 1201.002 and 1201.003, Government  
39 Code. The omitted law reads:

40           Sec. 12. . . . Any such revenue  
41 bonds, tax-revenue bonds, revenue refunding  
42 bonds, or tax-revenue refunding bonds  
43 hereinafter mentioned may be registrable as

1 to principal or as to both principal and  
2 interest. . . .

3 (5) Section 12, Chapter 261, Acts of the 61st  
4 Legislature, Regular Session, 1969, authorizes the  
5 district to issue refunding bonds for district bonds  
6 and provides procedures applicable to refunding bonds.  
7 The revised law omits these provisions because they  
8 duplicate in substance Section 51.438, Water Code,  
9 which provides general authority for a district to  
10 issue refunding securities and prescribes procedures  
11 applicable to those refunding securities. Section  
12 51.438 applies to the district under Section 5,  
13 Chapter 261, Acts of the 61st Legislature, Regular  
14 Session, 1969, revised as Section 9026.101 of this  
15 chapter, and under Section 51.001, Water Code. The  
16 omitted law reads:

17 Sec. 12. . . . By orders or  
18 resolutions adopted by its board of  
19 directors, said district shall have the  
20 power and authority to issue revenue  
21 refunding bonds or tax-revenue refunding  
22 bonds to refund revenue bonds or  
23 tax-revenue bonds (either original bonds or  
24 refunding bonds) theretofore issued by such  
25 district. Said refunding bonds shall be  
26 approved by the attorney general as in the  
27 case of original bonds and shall be  
28 registered by the comptroller of public  
29 accounts upon the surrender and  
30 cancellation of the bonds to be refunded;  
31 but in lieu thereof the orders or  
32 resolutions authorizing their issuance may  
33 provide that they shall be sold and the  
34 proceeds thereof deposited in the place or  
35 places where the underlying bonds are  
36 payable, in which case the refunding bonds  
37 may be issued provided an amount sufficient  
38 to pay the interest of and principal on the  
39 underlying bonds to their maturity dates or  
40 to their option dates if said bonds have  
41 been duly called for payment prior to  
42 maturity according to their terms has been  
43 so deposited in the place or places where  
44 said underlying bonds are payable, and the  
45 comptroller of public accounts shall  
46 register them without the surrender and  
47 cancellation of the underlying bonds. . . .

48 (6) Section 12, Chapter 261, Acts of the 61st  
49 Legislature, Regular Session, 1969, requires district  
50 bonds to be examined and approved by the attorney

1 general and registered with the comptroller. Those  
2 provisions are omitted because they are superseded by  
3 Sections 1202.003 and 1202.005, Government Code  
4 (enacted as Sections 3.002(a) and (c), Chapter 53,  
5 Acts of the 70th Legislature, 2nd Called Session, 1987  
6 (Article 717k-8, Vernon's Texas Civil Statutes)).  
7 Section 1202.003 provides for the review and approval  
8 of obligations by the attorney general. Section  
9 1202.005 provides for the registration of the  
10 obligations with the comptroller. Chapter 1202,  
11 Government Code, applies to district bonds under  
12 Sections 1202.001 and 1202.003, Government Code. The  
13 omitted law reads:

14           Sec. 12. . . . After any bonds have  
15 been authorized by the district hereunder,  
16 such bonds and the record relating to their  
17 issuance shall be submitted to the Attorney  
18 General of the State of Texas for his  
19 examination as to the validity thereof; and  
20 after said attorney general has approved  
21 the same, such bonds shall be registered by  
22 the Comptroller of Public Accounts of the  
23 State of Texas. . . .

24           (7) Section 12, Chapter 261, Acts of the 61st  
25 Legislature, Regular Session, 1969, provides that  
26 after approval and registration, district bonds are  
27 incontestable except for forgery or fraud. The  
28 revised law omits that provision as impliedly repealed  
29 by Section 1202.006, Government Code (enacted as  
30 Section 3.002(d), Chapter 53, Acts of the 70th  
31 Legislature, 2nd Called Session, 1987). Section  
32 1202.006, Government Code, provides that after  
33 approval and registration, bonds are incontestable for  
34 any reason. Section 1202.006 applies to district  
35 bonds under Sections 1202.001 and 1202.003, Government  
36 Code. The omitted law reads:

37           Sec. 12. . . . When such bonds have  
38 been approved by the attorney general,  
39 registered by the comptroller of public  
40 accounts, and delivered to the purchasers,  
41 they shall thereafter be incontestable

1           except for forgery or fraud. . . .

2           (8) Section 12, Chapter 261, Acts of the 61st  
3           Legislature, Regular Session, 1969, details various  
4           procedures regarding approval of bond contracts and  
5           proceedings by the attorney general. The revised law  
6           omits the portion of Section 12 regarding the validity  
7           and incontestability of a contract the proceeds of  
8           which are pledged to the payment of a bond as impliedly  
9           repealed by Section 1202.006, Government Code (enacted  
10          as Section 3.002(d), Chapter 53, Acts of the 70th  
11          Legislature, 2nd Called Session, 1987). Section  
12          1202.006, Government Code, provides that after  
13          approval and registration of the bond, the bond and  
14          contract are incontestable for any reason. Section  
15          1202.006 applies to district bonds under Sections  
16          1202.001 and 1202.003, Government Code. The omitted  
17          law reads:

18                   Sec. 12. . . . When any bonds recite  
19                   that they are secured partially or  
20                   otherwise by a pledge of the proceeds of a  
21                   contract or contracts made between the  
22                   district and another party or parties  
23                   (private or public), a copy of such contract  
24                   or contracts and the proceedings  
25                   authorizing the same may or may not be  
26                   submitted to the attorney general along  
27                   with the bond record, and, if so submitted,  
28                   the approval of the attorney general of the  
29                   bonds shall constitute an approval of such  
30                   contract or contracts, and thereafter the  
31                   contract or contracts shall be  
32                   incontestable for any cause except for  
33                   forgery or fraud. . . .

34          (9) Section 12, Chapter 261, Acts of the 61st  
35          Legislature, Regular Session, 1969, provides that the  
36          district may sell bonds only after taking public bids.  
37          The revised law omits that provision because it  
38          duplicates, in substance, Section 49.183(a), Water  
39          Code. The omitted law reads:

40                   Sec. 12. . . . The district's bonds  
41                   shall be sold only after taking public bids  
42                   therefor.

43          (10) Section 17, Chapter 261, Acts of the 61st

1 Legislature, Regular Session, 1969, provides that the  
2 district's board of directors may sell bonds at a price  
3 and on terms determined by the board of directors of  
4 the district, except that the bonds may not be sold for  
5 an amount less than provided by law. The revised law  
6 omits those provisions as duplicative of other law or  
7 unnecessary. The revised law omits the price and terms  
8 provision because it duplicates language in Section  
9 1204.006(b), Government Code, that allows an issuer to  
10 sell bonds at any price, and Section 1201.022(a),  
11 Government Code, which provides that a public security  
12 may be issued with specified characteristics, on  
13 specified terms, or in a specified manner. Section  
14 1204.006, Government Code, applies to district bonds  
15 under Sections 1204.001 and 1204.002 of that code.  
16 Section 1201.022, Government Code, applies to district  
17 bonds under Sections 1201.002 and 1201.003 of that  
18 code.

19 The revised law omits the provision prohibiting  
20 the sale of bonds for an amount less than provided by  
21 law because a law that sets a minimum price for  
22 district bonds would apply by its own terms and does  
23 not require a reference. The omitted law reads:

24           Sec. 17. Bonds of the district may be  
25           sold at a price and upon the terms  
26           determined by the board of directors of the  
27           district, except that such bonds shall not  
28           be sold for a less amount than provided by  
29           law.

30           (11) Section 18, Chapter 261, Acts of the 61st  
31 Legislature, Regular Session, 1969, provides that  
32 elections to authorize district bonds must be held  
33 under applicable general law. Section 18 also  
34 provides that if the first bond election fails, any  
35 provision of the general law relating to the  
36 dissolution of a district when a bond election fails  
37 does not apply to the district. The revised law omits

1 the provision relating to the first bond election as  
2 executed. The revised law omits the provision  
3 requiring bond elections to be held under applicable  
4 general law because the provision duplicates in  
5 substance Section 49.101, Water Code. The omitted law  
6 reads:

7           Sec. 18. All elections to authorize  
8 the issuance of bonds by the district shall  
9 be held pursuant to the general law  
10 applicable thereto; provided, however, that  
11 if the first bond election fails, Article  
12 7880-77b (Vernon's Texas Civil Statutes),  
13 or any other provision of the general law  
14 pertaining to dissolution of the district  
15 when a bond election fails shall not apply.

16           (12) Section 21, Chapter 261, Acts of the 61st  
17 Legislature, Regular Session, 1969, lists the entities  
18 for which district bonds are legal investments and  
19 provides that district bonds may secure deposits of  
20 public funds of the state or political subdivisions.  
21 The revised law omits the provision relating to the  
22 eligibility of district bonds to be considered as  
23 investments for various entities because it duplicates  
24 Section 49.186(a), Water Code. The revised law omits  
25 the provision relating to deposits of state funds as  
26 impliedly repealed by Section 404.0221, Government  
27 Code (enacted in 1995), which lists eligible  
28 collateral for deposits of state funds by the  
29 comptroller. As to deposits of other funds, the  
30 provision is impliedly repealed by Chapter 2257,  
31 Government Code (enacted in 1989 as Article 2529d,  
32 Vernon's Texas Civil Statutes), which governs eligible  
33 collateral for deposits of funds of other public  
34 agencies, including political subdivisions, and  
35 permits those deposits to be secured by obligations  
36 issued by conservation and reclamation districts. The  
37 omitted law reads:

38           Sec. 21. All bonds and refunding  
39 bonds of the district shall be and are

1 hereby declared to be legal, eligible, and  
2 authorized investments for banks, savings  
3 and loan associations, insurance companies,  
4 fiduciaries, trustees, and for the sinking  
5 funds of cities, towns, villages, counties,  
6 school districts, or other political  
7 corporations or subdivisions of the State  
8 of Texas, and for all public funds of the  
9 State of Texas or its agencies, including  
10 the State Permanent School Fund. Such bonds  
11 and refunding bonds shall be eligible to  
12 secure the deposit of any and all public  
13 funds of the State of Texas, cities, towns,  
14 villages, counties, school districts, or  
15 other political corporations or  
16 subdivisions of the State of Texas; and such  
17 bonds shall be lawful and sufficient  
18 security for said deposits to the extent of  
19 their face value, when accompanied by all  
20 unmatured coupons appurtenant thereto.

21 Revisor's Note  
22 (End of Chapter)

23 (1) Section 6, Chapter 261, Acts of the 61st  
24 Legislature, Regular Session, 1969, provides that the  
25 district must hold a confirmation election and  
26 provides that the confirmation election may be called  
27 as a part of the order calling for the bond election.  
28 The revised law omits that provision as executed  
29 because the confirmation election has already been  
30 held. The omitted law reads:

31 Sec. 6. District shall hold a  
32 confirmation election. Said confirmation  
33 election may be held on the same day as the  
34 bond election, and such confirmation  
35 election may be called by a separate  
36 election order or as a part of the order  
37 calling the bond election. Separate ballot  
38 boxes shall be provided to distinguish  
39 between the voting requirements for the  
40 confirmation election and the bond  
41 election, in the event they are held at the  
42 same time. If a majority of the votes cast  
43 at such confirmation election are in favor  
44 of the confirmation of the district, said  
45 district shall be confirmed and valid and  
46 legal in all respects. If said confirmation  
47 election fails, the district shall be null  
48 and void. In the event the confirmation  
49 election carries and the bond election  
50 fails, the district shall be valid in all  
51 respects but may not call another bond  
52 election for six months.

53 (2) Section 7, Chapter 261, Acts of the 61st  
54 Legislature, Regular Session, 1969, provides for the  
55 exclusion of property from the district before the

1 first bond election is called. The revised law omits  
2 that provision as executed because the district has  
3 already issued bonds. The omitted law reads:

4           Sec. 7. It shall not be necessary for  
5 the board of directors to call or hold a  
6 hearing on the exclusions of land or other  
7 property from the district; provided,  
8 however, that the board shall hold such  
9 hearing upon the written petition of any  
10 landowner or other property owner within  
11 the district filed with the secretary of the  
12 board prior to the calling of the first bond  
13 election for the district. The board of  
14 directors shall give notice of the right of  
15 a landowner or property owner to petition to  
16 have his lands excluded by publishing same  
17 in a newspaper of general circulation in the  
18 county or counties in which the district is  
19 situated one time at least 10 days prior to  
20 the calling of the bond election. The board  
21 may act on said petition in the same manner  
22 as it may act on a petition for the addition  
23 of land under Article 7880-75 (Vernon's  
24 Texas Civil Statutes), and no notice of  
25 hearing shall be required. . . .

26           (3) Section 7, Chapter 261, Acts of the 61st  
27 Legislature, Regular Session, 1969, provides that the  
28 board may on its own motion hold a hearing on the  
29 exclusion of property from the district in the manner  
30 provided by general law. The revised law omits that  
31 provision because it duplicates, in substance, Section  
32 49.303(b), Water Code. The omitted law reads:

33           Sec. 7. . . . The board on its own  
34 motion may call and hold an exclusions  
35 hearing or hearings in the manner provided  
36 by the general law.

37           (4) Section 20, Chapter 261, Acts of the 61st  
38 Legislature, Regular Session, 1969, provides that the  
39 board shall canvass the returns of all elections. The  
40 revised law omits that requirement because it  
41 duplicates in substance Section 67.002, Election Code,  
42 which requires the governing body of a political  
43 subdivision that orders an election to canvass the  
44 returns. Section 20 also provides that the board shall  
45 canvass the election returns "as soon as reasonably  
46 practicable after an election." The revised law omits

1 that provision as superseded by Section 67.003,  
2 Election Code (enacted by Section 1, Chapter 211, Acts  
3 of the 69th Legislature, Regular Session, 1985).  
4 Chapter 67, Election Code, applies to district  
5 elections under Section 67.001 of that code. The  
6 omitted law reads:

7           Sec. 20. The returns of all elections  
8           shall be canvassed by the board of directors  
9           of the district as soon as reasonably  
10           practicable after an election.

11           (5) Section 23, Chapter 261, Acts of the 61st  
12           Legislature, Regular Session, 1969, contains  
13           legislative findings relating to the performance of  
14           certain requirements under Section 59(d), Article XVI,  
15           Texas Constitution, and to the authority of the  
16           legislature to enact that chapter. The revised law  
17           omits that provision as executed. The omitted law  
18           reads:

19           Sec. 23. The                   Legislature  
20           specifically finds and declares that the  
21           requirements of Article XVI, Section 59(d),  
22           Constitution of Texas, have been done and  
23           accomplished in due course and time and in  
24           due order, and that the Legislature has the  
25           power and authority to enact this Act.

26           (6) Section 25, Chapter 261, Acts of the 61st  
27           Legislature, Regular Session, 1969, provides in part  
28           that the act is severable. The revised law omits that  
29           provision because the same result is produced by  
30           application of Section 311.032, Government Code (Code  
31           Construction Act), which provides that a provision of  
32           a statute is severable from each other provision of the  
33           statute that can be given effect. The omitted law  
34           reads:

35           Sec. 25. If any word, phrase, clause,  
36           paragraph, sentence, part, portion, or  
37           provision of this Act or the application  
38           thereof to any person or circumstance shall  
39           be held to be invalid or unconstitutional,  
40           the remainder of the Act shall nevertheless  
41           be valid; and the Legislature hereby  
42           declares that this Act would have been  
43           enacted without such invalid or

1 unconstitutional word, phrase, clause,  
2 paragraph, sentence, part, portion, or  
3 provision.

4 CHAPTER 9029. CLEAR LAKE CITY WATER AUTHORITY

5 SUBCHAPTER A. GENERAL PROVISIONS

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5 SUBCHAPTER E. BONDS

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9 CHAPTER 9029. CLEAR LAKE CITY WATER AUTHORITY

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Revised Law

12 Sec. 9029.001. DEFINITIONS. In this chapter:

13 (1) "Authority" means the Clear Lake City Water  
14 Authority.

15 (2) "Board" means the authority's board of directors.

16 (3) "Director" means a board member. (Acts 58th Leg.,  
17 R.S., Ch. 101, Sec. 1 (part); New.)

18 Source Law

19 Sec. 1. . . . a . . . district . . . to be known  
20 as "Clear Lake City Water Authority" hereinafter  
21 called the "Authority," . . . .

22 Revisor's Note

23 The definitions of "board" and "director" are  
24 added to the revised law for drafting convenience and  
25 to eliminate frequent, unnecessary repetition of the  
26 substance of the definitions.

27 Revised Law

28 Sec. 9029.002. NATURE OF AUTHORITY. The authority is a  
29 conservation and reclamation district in Harris County created  
30 under Section 59, Article XVI, Texas Constitution. (Acts 58th  
31 Leg., R.S., Ch. 101, Sec. 1 (part).)

32 Source Law

33 Sec. 1. Under and pursuant to the provisions of  
34 Article 16, Section 59, of the Constitution of Texas, a  
35 conservation and reclamation district is hereby  
36 created and established in Harris County, Texas, . . .  
37 which shall be a governmental agency and a body politic  
38 and corporate. . . .

1 Revisor's Note

2 (1) Section 1, Chapter 101, Acts of the 58th  
3 Legislature, Regular Session, 1963, provides that the  
4 authority is "created and established" in Harris  
5 County, Texas. The revised law omits "established"  
6 because the meaning of that word is included in the  
7 meaning of "created."

8 (2) Section 1, Chapter 101, Acts of the 58th  
9 Legislature, Regular Session, 1963, refers to the  
10 authority as "a governmental agency and a body politic  
11 and corporate." The revised law omits the quoted  
12 language because it duplicates a portion of Section  
13 59(b), Article XVI, Texas Constitution, which provides  
14 that a conservation and reclamation district is a  
15 governmental agency and a body politic and corporate.

16 Revised Law

17 Sec. 9029.003. LEGISLATIVE DECLARATION AND FINDINGS. (a)  
18 The legislature declares that:

19 (1) the creation of the authority is essential to  
20 accomplish the purposes of Section 59, Article XVI, Texas  
21 Constitution; and

22 (2) this chapter addresses a subject in which the  
23 state and general public are interested.

24 (b) The legislature finds that:

25 (1) all land and other property included in the  
26 boundaries of the authority will benefit from the works and  
27 projects accomplished by the authority under the powers conferred  
28 by Section 59, Article XVI, Texas Constitution; and

29 (2) the authority is created to serve a public use and  
30 benefit.

31 (c) The accomplishment of the purposes stated in this  
32 chapter is for the benefit of the people of this state and for the  
33 improvement of their property and industries. The authority in  
34 carrying out the purposes of this chapter will be performing an

1 essential public function under the Texas Constitution. (Acts 58th  
2 Leg., R.S., Ch. 101, Secs. 1 (part), 3, 15 (part), 16 (part).)

3 Source Law

4 Sec. 1. . . . The creation and establishment of  
5 the Authority is hereby declared to be essential to the  
6 accomplishment of the purposes of Article 16, Section  
7 59, of the Constitution of Texas.

8 Sec. 3. It is expressly determined and found  
9 that all of the land and other property included within  
10 the area and boundaries of the Authority will be  
11 benefited by the works and projects which are to be  
12 accomplished by the Authority pursuant to the powers  
13 herein conferred under the provisions of Article 16,  
14 Section 59, of the Constitution of Texas, and that such  
15 Authority was and is created to serve a public use and  
16 benefit.

17 Sec. 15. The accomplishment of the purposes  
18 stated in this Act being for the benefit of the people  
19 of this State and for the improvement of their  
20 properties and the industries thereof, the Authority  
21 in carrying out the purposes of this Act will be  
22 performing an essential public function under the  
23 Constitution and . . . .

24 Sec. 16. The Legislature hereby declares . . .  
25 that the Authority herein created is essential to the  
26 accomplishment of such purposes and that this Act  
27 therefore operates on a subject in which the State and  
28 the public at large are interested. . . .

29 Revisor's Note

30 (1) Section 1, Chapter 101, Acts of the 58th  
31 Legislature, Regular Session, 1963, states that the  
32 "creation and establishment" of the authority are  
33 essential to accomplish the purposes of Section 59,  
34 Article XVI, Texas Constitution. The revised law  
35 omits "establishment" because its meaning is included  
36 in the meaning of "creation."

37 (2) Section 3, Chapter 101, Acts of the 58th  
38 Legislature, Regular Session, 1963, refers to land and  
39 other property included "within the area and  
40 boundaries of the Authority." The revised law omits  
41 "area" because property included in the "area . . . of  
42 the Authority" is synonymous with property included in  
43 the "boundaries of the Authority."

44 (3) Section 16, Chapter 101, Acts of the 58th  
45 Legislature, Regular Session, 1963, contains a



1 thereon, or the right to assess, levy and collect  
2 taxes, or in any other manner affect the legality or  
3 operation of the Authority or its governing body.

4 Sec. 20. In lieu of or in addition to the  
5 authority and procedures contained and incorporated  
6 herein for the addition of land or territory to the  
7 authority pursuant to Chapter 51, Water Code, land,  
8 property, or territory may, alternatively, be added to  
9 the authority pursuant to the authority of and in the  
10 manner provided by Sections 54.711 through 54.727 of  
11 Chapter 54, Water Code, as now or hereafter amended.

12 Revisor's Note

13 (1) The revision of the law governing the  
14 authority does not revise the statutory language  
15 describing the territory of the authority 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  
20 references to the statutory description of the  
21 authority's territory and to statutory authority to  
22 change the authority's territory under Section 20,  
23 Chapter 101, Acts of the 58th Legislature, Regular  
24 Session, 1963, under Subchapter O, Chapter 51, Water  
25 Code, applicable to water control and improvement  
26 districts, and under Subchapter J, Chapter 49, Water  
27 Code, applicable to the authority under Sections  
28 49.001 and 49.002 of that chapter. The revised law  
29 also includes a reference to the general authority of  
30 the legislature to enact other law to change the  
31 authority's territory.

32 (2) Section 4, Chapter 101, Acts of the 58th  
33 Legislature, Regular Session, 1963, provides that a  
34 mistake in a description of the authority's boundaries  
35 does not affect the right of the authority to issue  
36 "bonds or refunding bonds." The revised law omits  
37 "refunding bonds" because refunding bonds are included  
38 in the meaning of "bonds."

39 (3) Section 4, Chapter 101, Acts of the 58th

1 Legislature, Regular Session, 1963, refers to the  
2 authority's right to "assess, levy and collect" a tax.  
3 The revised law substitutes "impose" for the quoted  
4 language because "impose" is the term generally used  
5 in Title 1, Tax Code, and includes the assessment,  
6 levying, and collection of a tax.

7 (4) Section 20, Chapter 101, Acts of the 58th  
8 Legislature, Regular Session, 1963, provides that the  
9 authority may add land or territory in the manner  
10 provided by Chapter 51, Water Code, or Sections 54.711  
11 through 54.727, Water Code. The revised law omits that  
12 provision as unnecessary. Chapter 715, Acts of the  
13 74th Legislature, Regular Session, 1995, repealed  
14 Sections 54.711 through 54.727, Water Code, and some  
15 of the relevant provisions of Chapter 51, Water Code,  
16 and enacted Subchapter J, Chapter 49, Water Code, to  
17 govern the addition of land to a water control and  
18 improvement district and certain other districts.

19 Revised Law

20 Sec. 9029.005. CORRECTION OF INVALID PROCEDURES. If a  
21 court holds that any procedure under this chapter violates the  
22 constitution of this state or of the United States, the authority by  
23 resolution may provide an alternative procedure that conforms with  
24 the constitution. (Acts 58th Leg., R.S., Ch. 101, Sec. 17 (part).)

25 Source Law

26 Sec. 17. . . . [Federal or State Constitutions]  
27 . . . . Where any procedure hereunder may be held by  
28 any court to be violative of either of such  
29 Constitutions, the Authority shall have the power by  
30 resolution to provide an alternative procedure  
31 conformable to such Constitutions. . . .

32 Revisor's Note

33 Section 17, Chapter 101, Acts of the 58th  
34 Legislature, Regular Session, 1963, provides that the  
35 act may not be construed to violate the federal or  
36 state constitution and requires that action under the  
37 act comply with the constitutions. The revised law

1 omits the reference to the federal constitution  
2 because, under the Supremacy Clause of the United  
3 States Constitution (Clause 2, Article VI), federal  
4 law always takes precedence over a state statute. The  
5 revised law omits the reference to the state  
6 constitution because the state legislature cannot  
7 modify constitutional provisions by statute. The  
8 omitted law reads:

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

15                           Revised Law

16           Sec. 9029.006. LIBERAL CONSTRUCTION OF CHAPTER. This  
17 chapter shall be liberally construed to effect the purposes,  
18 powers, and rights stated in this chapter. (Acts 58th Leg., R.S.,  
19 Ch. 101, Sec. 16 (part).)

20                           Source Law

21           Sec. 16. . . . All of the terms and provisions  
22 of this Act are to be liberally construed, to  
23 effectuate the purposes, powers, rights and  
24 authorities herein set forth.

25                           Revisor's Note

26           Section 16, Chapter 101, Acts of the 58th  
27 Legislature, Regular Session, 1963, refers to  
28 "purposes, powers, rights and authorities."  
29 Throughout this chapter, the revised law omits  
30 "authority" and "authorities" in this context as  
31 included in the meaning of "power" and "powers."

32           [Sections 9029.007-9029.050 reserved for expansion]

33                           SUBCHAPTER B. BOARD OF DIRECTORS

34                           Revised Law

35           Sec. 9029.051. COMPOSITION OF BOARD. The board consists of  
36 five elected directors. (Acts 58th Leg., R.S., Ch. 101, Sec. 10  
37 (part).)



1 Revised Law

2 Sec. 9029.054. DIRECTOR'S AND TREASURER'S BONDS. (a) Each  
3 director shall give bond in the amount of \$5,000 for the faithful  
4 performance of the director's duties.

5 (b) The treasurer shall give bond in the amount required by  
6 the board, conditioned on the treasurer's faithful accounting for  
7 all money that comes into the treasurer's custody as authority  
8 treasurer. (Acts 58th Leg., R.S., Ch. 101, Sec. 10 (part).)

9 Source Law

10 Sec. 10. . . . Such Directors . . . shall give  
11 bond in the amount of Five Thousand Dollars (\$5,000)  
12 for the faithful performance of his duties, . . . .  
13 The Treasurer . . . shall give bond in such amount as  
14 may be required by the Board, conditioned that he or it  
15 will faithfully account for all money which shall come  
16 into his or its custody as Treasurer of the  
17 Authority. . . .

18 Revisor's Note

19 (1) Section 10, Chapter 101, Acts of the 58th  
20 Legislature, Regular Session, 1963, requires each  
21 director to subscribe to the constitutional oath of  
22 office. The revised law omits the provision because  
23 Section 1, Article XVI, Texas Constitution, requires  
24 an officer of the state to take the constitutional oath  
25 (or affirmation) before assuming office. The omitted  
26 law reads:

27 Sec. 10. . . . [Such Directors]  
28 shall subscribe to the constitutional oath  
29 of office, and each . . . .

30 (2) Section 10, Chapter 101, Acts of the 58th  
31 Legislature, Regular Session, 1963, requires the  
32 authority to pay the cost of a director's bond. The  
33 revised law omits that provision because it  
34 duplicates, in substance, Section 49.055(c), Water  
35 Code. The omitted law reads:

36 Sec. 10. . . . [Such Directors . . .  
37 shall give bond] . . . the cost of which  
38 shall be paid by the Authority. . . .



1 2001 and 2005. That section requires an election for  
2 the appropriate number of directors to be held on the  
3 uniform election date established by the Election Code  
4 in May of each even-numbered year. In addition,  
5 Chapter 1318, Acts of the 82nd Legislature, Regular  
6 Session, 2011, amended Section 41.0052, Election Code,  
7 to allow a political subdivision to change the date of  
8 its general election for officers to another uniform  
9 date. The omitted law reads:

10           Sec. 10. . . . An election shall be  
11 held on the second Tuesday in January of  
12 each year beginning in 1964 for the election  
13 of Directors, and three (3) [Directors  
14 shall be elected] in each even-numbered  
15 year and two (2) in each odd-numbered year,  
16 in accordance with the General Law  
17 applicable thereto. . . .

18           (4) Section 10, Chapter 101, Acts of the 58th  
19 Legislature, Regular Session, 1963, describes the  
20 procedure for filling a board vacancy. The revised law  
21 omits that provision because it duplicates, in  
22 substance, Section 49.105(a), Water Code, which  
23 establishes procedures for filling a board vacancy.  
24 The omitted law reads:

25           Sec. 10. . . . Any vacancy occurring  
26 in the Board of Directors shall be filled  
27 for the unexpired term by a majority of the  
28 remaining Directors. . . .

29           (5) Section 10, Chapter 101, Acts of the 58th  
30 Legislature, Regular Session, 1963, authorizes the  
31 board to appoint certain personnel. The revised law  
32 omits that provision because it duplicates, in  
33 substance, part of Section 49.057(a), Water Code. The  
34 omitted law reads:

35           Sec. 10. . . . The Board shall  
36 appoint all necessary engineers, attorneys,  
37 fiscal agents, managers, employees or other  
38 personnel as may be needed, and . . . .

39           (6) Section 10, Chapter 101, Acts of the 58th  
40 Legislature, Regular Session, 1963, requires the board  
41 to adopt a seal for the authority. The revised law

1 omits that provision because it duplicates Section  
2 49.061, Water Code. The omitted law reads:

3 Sec. 10. . . . The Board . . . shall  
4 adopt a seal for the Authority.

5 [Sections 9029.055-9029.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Revised Law

8 Sec. 9029.101. WATER CONTROL AND IMPROVEMENT DISTRICT  
9 POWERS. The authority has the rights, powers, privileges, and  
10 functions provided by general law applicable to a water control and  
11 improvement district created under Section 59, Article XVI, Texas  
12 Constitution, including Chapters 49 and 51, Water Code. (Acts 58th  
13 Leg., R.S., Ch. 101, Sec. 5 (part); New.)

14 Source Law

15 Sec. 5. The Authority shall have and exercise  
16 and is hereby vested with, all of the rights, powers,  
17 privileges, authority and functions conferred and  
18 imposed by the General Laws of this State now in force  
19 or hereafter enacted, applicable to water control and  
20 improvement districts created under the authority of  
21 Article 16, Section 59, of the Constitution of Texas,  
22 but . . . .

23 Revisor's Note

24 (1) Section 5, Chapter 101, Acts of the 58th  
25 Legislature, Regular Session, 1963, states that the  
26 authority "shall have and exercise and is hereby  
27 vested with" certain powers. The revised law  
28 substitutes "has" for the quoted language because, in  
29 context, the terms are synonymous and "has" is more  
30 commonly used.

31 (2) Section 5, Chapter 101, Acts of the 58th  
32 Legislature, Regular Session, 1963, refers to the  
33 general laws of this state "now in force or hereafter  
34 enacted." The revised law omits the quoted language as  
35 unnecessary under accepted general principles of  
36 statutory construction. The "[g]eneral [l]aws of this  
37 [s]tate" means those laws "in force" at the time the  
38 provision was adopted. It is unnecessary to state that

1 the district may be granted additional powers by later  
2 enacted laws because those laws apply on their own  
3 terms.

4 (3) Section 5, Chapter 101, Acts of the 58th  
5 Legislature, Regular Session, 1963, refers to the  
6 general laws "applicable to water control and  
7 improvement districts." For the reader's convenience,  
8 the revised law adds references to Chapter 49, Water  
9 Code, generally applicable under Sections 49.001 and  
10 49.002 of that chapter to districts created under  
11 Section 59, Article XVI, Texas Constitution, and  
12 Chapter 51, Water Code, specifically applicable to  
13 water control and improvement districts.

14 (4) Section 5, Chapter 101, Acts of the 58th  
15 Legislature, Regular Session, 1963, provides that the  
16 act prevails over general law that applies to water  
17 control and improvement districts and that is in  
18 conflict or inconsistent with the act and that all  
19 general laws applicable to water control and  
20 improvement districts are incorporated by reference.  
21 The revised law omits the portion of the provision  
22 relating to the act prevailing over general law  
23 because it duplicates Section 311.026(b), Government  
24 Code (Code Construction Act). The revised law omits  
25 the portion of the provision relating to incorporation  
26 of general laws because Section 5 of Chapter 101  
27 (revised as this section) already provides that those  
28 laws apply to the district, and it is unnecessary to  
29 repeat that authority. The omitted law reads:

30 Sec. 5. [The Authority shall have and  
31 exercise and is hereby vested with, all of  
32 the rights, powers, privileges, authority  
33 and functions conferred and imposed by the  
34 General Laws of this State now in force or  
35 hereafter enacted, applicable to water  
36 control and improvement districts created  
37 under the authority of Article 16, Section  
38 59, of the Constitution of Texas, but] to  
39 the extent that the provisions of any such

1 General Laws may be in conflict or  
2 inconsistent with the provisions of this  
3 Act, the provisions of this Act shall  
4 prevail. All such General Laws are hereby  
5 adopted and incorporated by reference with  
6 the same effect as if incorporated in full  
7 in this Act.

8 Revised Law

9 Sec. 9029.102. ADDITIONAL POWERS. (a) The authority may:

10 (1) purchase, construct, or otherwise acquire and  
11 accomplish by any practical means a waterworks system, sanitary  
12 sewer system, storm sewer system, or drainage facility or any part  
13 of those systems or facilities;

14 (2) make any necessary purchase, construction,  
15 improvement, extension, addition, or repair to a system or facility  
16 described by Subdivision (1);

17 (3) purchase or acquire, operate, and maintain any  
18 land, right-of-way, easement, site, equipment, building, plant,  
19 structure, or facility necessary to a system or facility described  
20 by Subdivision (1); and

21 (4) sell water and other services at rates fixed by the  
22 authority.

23 (b) The authority may exercise any of the rights or powers  
24 granted by this chapter inside or outside the authority's  
25 boundaries. (Acts 58th Leg., R.S., Ch. 101, Sec. 7 (part).)

26 Source Law

27 Sec. 7. Without limiting the generality of the  
28 grant of all rights, powers, or functions herein  
29 bestowed upon the Authority under the General Laws of  
30 the State presently in force or hereafter enacted,  
31 pertaining to water control and improvement districts,  
32 the Authority is specifically granted the right, power  
33 and authority to purchase and construct, or purchase  
34 or construct, or otherwise acquire and accomplish by  
35 any and all practical means, waterworks systems,  
36 sanitary sewer systems, storm sewer systems and  
37 drainage facilities or parts of such systems or  
38 facilities and to make any and all necessary  
39 purchases, constructions, improvements, extensions,  
40 additions and repairs thereto, and to purchase or  
41 acquire all necessary land, right-of-way, easements,  
42 sites, equipment, buildings, plants, structures and  
43 facilities therefor and to operate and maintain same,  
44 and to sell water or other services, and to fix rates  
45 therefor, and the Authority may exercise any of the  
46 rights, powers and authorities granted by this Act  
47 within or without the boundaries of the Authority, and  
48 . . . .

1 Revisor's Note

2 (1) Section 7, Chapter 101, Acts of the 58th  
3 Legislature, Regular Session, 1963, provides that  
4 "[w]ithout limiting the generality of the grant of all  
5 rights, powers, or functions herein bestowed upon the  
6 Authority under the General Laws of the State," the  
7 authority has certain powers. The revised law omits  
8 the quoted language because it is an accepted general  
9 principle of statutory construction that a grant of a  
10 right, power, or function does not act as a limitation.  
11 The general principle applies to this revision.

12 (2) Section 7, Chapter 101, Acts of the 58th  
13 Legislature, Regular Session, 1963, refers to the  
14 rights, powers, and functions bestowed on the  
15 authority by the general laws of the state "presently  
16 in force or hereafter enacted." The revised law omits  
17 the quoted language for the reason stated in Revisor's  
18 Note (2) to Section 9029.101.

19 (3) Section 7, Chapter 101, Acts of the 58th  
20 Legislature, Regular Session, 1963, provides that the  
21 authority "is specifically granted the right, power  
22 and authority to" take certain actions. The revised  
23 law substitutes "may" for the quoted language because  
24 the term is more concise and is the substantive  
25 equivalent of the quoted language.

26 Revised Law

27 Sec. 9029.103. CONTRACT FOR DEVELOPMENT OF LAND AND  
28 PROPERTY. The authority may enter into a contract with a political  
29 subdivision or with an owner, developer, or lessee of land and  
30 property as necessary or appropriate to a continuing and orderly  
31 plan of development of the land and property through the purchase,  
32 construction, or installation of facilities, works, or  
33 improvements that the authority is otherwise authorized to do or  
34 perform so that, to the greatest extent reasonably possible,

1 considering sound engineering and economic practices, all of the  
2 land may, under the contract, ultimately receive the services of  
3 the facilities, works, or improvements. (Acts 58th Leg., R.S., Ch.  
4 101, Sec. 9 (part).)

5 Source Law

6 Sec. 9. The Authority shall have the right,  
7 power and authority to enter into contracts with  
8 municipal corporations, political subdivisions,  
9 owners, developers or lessees of lands and property as  
10 may be necessary or appropriate to a continuing and  
11 orderly plan of development of such lands and property  
12 through the purchase, construction or installation of  
13 such facilities, works or improvements as such  
14 Authority may be otherwise authorized and empowered to  
15 do or perform so that, to the greatest extent  
16 reasonably possible, considering sound engineering  
17 and economic practices, all such lands may, under such  
18 contracts, be placed in position ultimately to receive  
19 the services of such facilities, works or  
20 improvements. . . .

21 Revisor's Note

22 (1) Section 9, Chapter 101, Acts of the 58th  
23 Legislature, Regular Session, 1963, provides that the  
24 authority "shall have the right, power and authority"  
25 to enter into certain contracts. The revised law  
26 substitutes "may" for the quoted language because that  
27 term is more concise and is the substantive equivalent  
28 of the quoted language.

29 (2) Section 9, Chapter 101, Acts of the 58th  
30 Legislature, Regular Session, 1963, provides that the  
31 authority may contract with "municipal corporations"  
32 or "political subdivisions." The revised law omits  
33 "municipal corporations" because "municipal  
34 corporation" is included in the meaning of "political  
35 subdivision."

36 (3) Section 9, Chapter 101, Acts of the 58th  
37 Legislature, Regular Session, 1963, refers to  
38 "authorized and empowered." The revised law omits  
39 "empowered" in this context as included in the meaning  
40 of "authorized."

1 Revised Law

2 Sec. 9029.104. ELECTION NOT REQUIRED FOR CERTAIN CONTRACTS.  
3 A municipality may enter into a water, sewer, or drainage contract,  
4 or any combination of those contracts, with the authority without  
5 the necessity of an election by any contracting party to approve the  
6 contract. (Acts 58th Leg., R.S., Ch. 101, Sec. 9 (part).)

7 Source Law

8 Sec. 9. The Authority shall have the right,  
9 power and authority to enter into contracts with  
10 municipal corporations . . . . No election shall be  
11 required of any city or town for approval of water,  
12 sewer or drainage contracts, or any combination  
13 thereof, but such contracts may be entered into  
14 without the necessity of an election by any  
15 contracting party.

16 Revisor's Note

17 Section 9, Chapter 101, Acts of the 58th  
18 Legislature, Regular Session, 1963, refers to any  
19 "city or town." The revised law substitutes  
20 "municipality" for "city or town" because the meaning  
21 of "municipality" includes both cities and towns, and  
22 "municipality" is the term used in the Local  
23 Government Code.

24 Revised Law

25 Sec. 9029.105. COST OF RELOCATING OR ALTERING PROPERTY.

26 (a) In this section, "sole expense" means the actual cost of  
27 relocating, raising, lowering, rerouting, changing the grade of, or  
28 altering the construction of a facility described by Subsection (b)  
29 in providing comparable replacement without enhancement of the  
30 facility, after deducting from that cost the net salvage value of  
31 the old facility.

32 (b) If the authority's exercise of the power of eminent  
33 domain, the power of relocation, or any other power makes necessary  
34 the relocation, raising, rerouting, changing the grade, or  
35 alteration of the construction of a highway, a railroad, an  
36 electric transmission line, a telephone or telegraph property or  
37 facility, or a pipeline, the necessary action shall be accomplished  
38 at the sole expense of the authority. (Acts 58th Leg., R.S., Ch.

1 101, Sec. 11.)

2 Source Law

3 Sec. 11. In the event that the Authority, in the  
4 exercise of the power of eminent domain or power of  
5 relocation, or any other power, makes necessary the  
6 relocation, raising, rerouting or changing the grade  
7 of, or altering the construction of any highway,  
8 railroad, electric transmission line, telephone or  
9 telegraph properties and facilities, or pipeline, all  
10 such necessary relocation, raising, rerouting, change  
11 of grade or alteration of construction shall be  
12 accomplished at the sole expense of the Authority. The  
13 term "sole expense" shall mean the actual cost of such  
14 relocation, raising, lowering, rerouting or change in  
15 grade or alteration of construction in providing  
16 comparable replacement without enhancement of such  
17 facilities, after deducting therefrom the net salvage  
18 value derived from the old facility.

19 Revised Law

20 Sec. 9029.106. BID ON PROPOSED CONSTRUCTION WORK. (a) A  
21 person who submits a written sealed bid on proposed construction  
22 work for the authority must submit with the bid an amount equal to  
23 at least five percent of the total amount of the bid in the form of  
24 a:

25 (1) certified or cashier's check on a responsible bank  
26 in this state; or

27 (2) bidder's bond.

28 (b) If a successful bidder fails or refuses to enter into a  
29 proper contract with the authority or provide a bond required by  
30 law, the bidder forfeits the amount of the check or bond that  
31 accompanied the bidder's bid. (Acts 58th Leg., R.S., Ch. 101, Sec.  
32 19.)

33 Source Law

34 Sec. 19. Any person, firm, or corporation which  
35 submits a written sealed bid on proposed construction  
36 work for the Authority shall submit with such written  
37 sealed bid a certified or cashier's check on a  
38 responsible bank in the state or a bidder's bond for at  
39 least five percent (5%) of the total amount of the bid.  
40 If the successful bidder fails or refuses to enter into  
41 a proper contract with the Authority, or fails or  
42 refuses to furnish the bonds required by law, he shall  
43 forfeit the amount of the check or bond which  
44 accompanied his bid.

45 Revisor's Note

46 Section 19, Chapter 101, Acts of the 58th  
47 Legislature, Regular Session, 1963, refers to "[a]ny

1 person, firm, or corporation." The revised law omits  
2 "firm" and "corporation" because under Section  
3 311.005(2), Government Code (Code Construction Act),  
4 "person" is defined to include any legal entity.

5 Revisor's Note  
6 (End of Subchapter)

7 Section 8, Chapter 101, Acts of the 58th  
8 Legislature, Regular Session, 1963, states that the  
9 authority may use public roadways, streets, or alleys  
10 or public easements. The revised law omits the  
11 provision because it duplicates, in substance, Section  
12 49.220, Water Code. The omitted law reads:

13 Sec. 8. The Authority shall have the  
14 right, power and authority to use any and  
15 all public roadways, streets, alleys or  
16 public easements within or without the  
17 boundaries of the Authority in the  
18 accomplishment of its purposes, without the  
19 necessity of securing a franchise.

20 [Sections 9029.107-9029.150 reserved for expansion]

21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

22 Revised Law

23 Sec. 9029.151. TAX METHOD. (a) The authority shall use the  
24 ad valorem plan of taxation.

25 (b) The board is not required to call a hearing on the  
26 adoption of a plan of taxation. (Acts 58th Leg., R.S., Ch. 101,  
27 Sec. 6 (part).)

28 Source Law

29 Sec. 6. It shall not be necessary for the Board  
30 of Directors to call . . . a hearing on the adoption of  
31 a plan of taxation. The ad valorem plan of taxation  
32 shall be used by the Authority.

33 Revised Law

34 Sec. 9029.152. AUTHORITY ACCOUNTS. The authority shall  
35 keep a complete system of the authority's accounts. (Acts 58th  
36 Leg., R.S., Ch. 101, Sec. 14 (part).)

37 Source Law

38 Sec. 14. A complete system of accounts shall be  
39 kept by the Authority and . . . .

1 Revised Law

2 Sec. 9029.153. FISCAL YEAR. The fiscal year of the  
3 authority is from October 1 to September 30 of the following year,  
4 unless changed by the board. (Acts 58th Leg., R.S., Ch. 101, Sec.  
5 14 (part).)

6 Source Law

7 Sec. 14. . . . The fiscal year of the Authority  
8 shall be from October 1 to September 30 of the  
9 following year, unless and until changed by the Board  
10 of Directors. . . .

11 Revised Law

12 Sec. 9029.154. COPY OF AUDIT REPORT. A copy of the audit  
13 report prepared under Subchapter G, Chapter 49, Water Code, shall  
14 be delivered:

15 (1) to each director; and

16 (2) to a holder of at least 25 percent of the  
17 outstanding bonds of the authority, on request. (Acts 58th Leg.,  
18 R.S., Ch. 101, Sec. 14 (part); New.)

19 Source Law

20 Sec. 14. . . . A written report of the audit  
21 shall be delivered to each member of the Board of  
22 Directors . . . a copy of such audit report shall be  
23 delivered upon request to the holder or holders of at  
24 least twenty-five per cent (25%) of the then  
25 outstanding bonds of the Authority; and . . . .

26 Revisor's Note

27 (1) Section 14, Chapter 101, Acts of the 58th  
28 Legislature, Regular Session, 1963, refers to various  
29 audit procedures, including who may receive a copy of  
30 the audit report. As detailed in the revisor's notes  
31 that follow, procedures that are superseded by  
32 Subchapter G, Chapter 49, Water Code, have been  
33 omitted as superseded by Section 49.191(b), Water  
34 Code, and the specific provisions in Subchapter G that  
35 conflict with Chapter 101, Acts of the 58th  
36 Legislature, Regular Session, 1963. Section 49.191(b)  
37 states that Subchapter G "shall take precedence over  
38 all prior statutory enactments." Subchapter G,

1 Chapter 49, Water Code, was enacted in 1995 by Section  
2 2, Chapter 715, Acts of the 74th Legislature, Regular  
3 Session. For context and the convenience of the  
4 reader, the revised law adds a reference to the audit  
5 report required by Subchapter G, Chapter 49, Water  
6 Code.

7 (2) Section 14, Chapter 101, Acts of the 58th  
8 Legislature, Regular Session, 1963, provides that an  
9 annual audit of the authority's affairs shall be  
10 prepared by an independent certified public accountant  
11 or a firm of independent certified public accountants  
12 of recognized integrity and ability. The revised law  
13 omits that provision as superseded by Sections  
14 49.191(b) and (c), Water Code (enacted by Section 2,  
15 Chapter 715, Acts of the 74th Legislature, Regular  
16 Session, 1995). The omitted law reads:

17 Sec. 14. . . . an audit of its  
18 affairs for each year shall be prepared by  
19 an independent certified public accountant,  
20 or a firm of independent certified public  
21 accountants, of recognized integrity and  
22 ability. . . .

23 (3) Section 14, Chapter 101, Acts of the 58th  
24 Legislature, Regular Session, 1963, provides that a  
25 written report of the audit shall be delivered to each  
26 board member not later than 90 days after the close of  
27 each fiscal year. The revised law omits the deadline  
28 for delivery of the report as superseded by Sections  
29 49.191(b) and (d), Water Code (enacted by Section 2,  
30 Chapter 715, Acts of the 74th Legislature, Regular  
31 Session, 1995). The omitted law reads:

32 Sec. 14. . . . [A written report of  
33 the audit shall be delivered to each member  
34 of the Board of Directors] not later than  
35 ninety (90) days after the close of each  
36 fiscal year; and . . . .

37 (4) Section 14, Chapter 101, Acts of the 58th  
38 Legislature, Regular Session, 1963, provides that at  
39 least five copies of the audit report shall be



1 advisable. (Acts 58th Leg., R.S., Ch. 101, Sec. 12 (part).)

2 Source Law

3 Sec. 12. The Authority is fully empowered to  
4 borrow money for its corporate purposes including the  
5 power to borrow money and accept grants, gratuities or  
6 other support from the United States of America or the  
7 State of Texas, or from any corporation or agency  
8 created or designated by the United States of America  
9 or the State of Texas, and in connection with any such  
10 loan, grant or other support, to enter into such  
11 arrangements as the Board of Directors may deem  
12 advisable. . . .

13 Revised Law

14 Sec. 9029.157. DEPOSITORY. (a) The board shall designate  
15 one or more banks inside or outside the authority to serve as a  
16 depository for authority money.

17 (b) All authority money shall be deposited in a depository  
18 bank, except that sufficient money shall be remitted to the  
19 appropriate bank of payment to pay the principal of and interest on  
20 the authority's outstanding bonds on or before the maturity date of  
21 the principal and interest.

22 (c) To the extent that money in a depository bank is not  
23 insured by the Federal Deposit Insurance Corporation, the money  
24 must be secured in the manner provided by law for the security of  
25 county funds. (Acts 58th Leg., R.S., Ch. 101, Sec. 13.)

26 Source Law

27 Sec. 13. The Board of Directors shall designate  
28 one or more banks within or without the Authority to  
29 serve as depository for the funds of the Authority. All  
30 funds of the Authority shall be deposited in such  
31 depository bank or banks except that sufficient funds  
32 shall be remitted to the bank or banks of payment of  
33 principal of and interest on the outstanding bonds of  
34 the Authority and in time that such may be received by  
35 the said bank or banks of payment on or prior to the  
36 date of the maturity of such principal and interest so  
37 to be paid. To the extent that funds in the depository  
38 bank or banks are not insured by the Federal Deposit  
39 Insurance Corporation, they shall be secured in the  
40 manner provided by law for the security of county  
41 funds.

42 Revisor's Note

43 Section 13, Chapter 101, Acts of the 58th  
44 Legislature, Regular Session, 1963, refers to the  
45 authority's "funds." The revised law substitutes  
46 "money" for "funds" because, in the context of

1 authority funds, the meaning is the same and "money" is  
2 the more commonly used term.

3 [Sections 9029.158-9029.200 reserved for expansion]

4 SUBCHAPTER E. BONDS

5 Revised Law

6 Sec. 9029.201. AUTHORITY TO ISSUE BONDS. The authority may  
7 issue bonds for an authority purpose. (Acts 58th Leg., R.S., Ch.  
8 101, Sec. 7 (part).)

9 Source Law

10 Sec. 7. . . . the Authority may issue its bonds  
11 for such purposes and . . . .

12 Revisor's Note

13 (1) Section 7, Chapter 101, Acts of the 58th  
14 Legislature, Regular Session, 1963, provides that the  
15 authority may provide for and pay for bonds issued and  
16 pay for any expense necessarily incurred for the  
17 issuance of authority bonds. The revised law omits  
18 that provision because it duplicates, in substance,  
19 Section 49.155(a), Water Code. The omitted law reads:

20 Sec. 7. . . . [the Authority may  
21 issue its bonds . . . and] provide and make  
22 payment therefor and for necessary expenses  
23 in connection therewith.

24 (2) Section 12, Chapter 101, Acts of the 58th  
25 Legislature, Regular Session, 1963, authorizes the  
26 authority to issue bonds under general law for water  
27 control and improvement districts. The revised law  
28 omits that provision because it duplicates general  
29 law. General law is sufficient on its own terms,  
30 including bond provisions in Chapters 49 and 51, Water  
31 Code. The omitted law reads:

32 Sec. 12. . . . The Authority is  
33 granted full powers to authorize, execute,  
34 issue and sell bonds, whether to be  
35 supported by taxes, revenues or a  
36 combination of taxes and revenues, to  
37 evidence any indebtedness it may lawfully  
38 incur and in such connection the Board of  
39 Directors may proceed as permitted under  
40 the General Laws pertaining to the issuance  
41 of bonds by water control and improvement

1 districts . . . .

2 (3) Section 12, Chapter 101, Acts of the 58th  
3 Legislature, Regular Session, 1963, authorizes the  
4 authority to issue refunding bonds. The revised law  
5 omits that language because it duplicates Chapter  
6 1207, Government Code, which contains general  
7 authority for an issuer to issue refunding securities.  
8 That chapter applies to the authority because the  
9 authority is an issuer under Section 1207.001,  
10 Government Code. The omitted law reads:

11 Sec. 12. . . . [The Authority is  
12 granted full powers to authorize, execute,  
13 issue and sell bonds,] . . . , including  
14 refunding bonds. . . .

15 (4) Section 12, Chapter 101, Acts of the 58th  
16 Legislature, Regular Session, 1963, provides that  
17 authority bonds are negotiable instruments under the  
18 "Negotiable Instruments Law of this State." The  
19 revised law omits that provision because the Uniform  
20 Negotiable Instruments Act (Articles 5932-5948,  
21 Revised Statutes) was repealed in 1965 when the  
22 Uniform Commercial Code was adopted (see Title I,  
23 Business & Commerce Code) and because the provision  
24 duplicates in substance Section 1201.041, Government  
25 Code, which provides that a public security is a  
26 negotiable instrument. Section 1201.041 applies to  
27 authority bonds under Sections 1201.002 and 1201.003,  
28 Government Code. The omitted law reads:

29 Sec. 12. . . . All bonds issued by  
30 the Authority pursuant to the provisions of  
31 this Act shall constitute negotiable  
32 instruments within the meaning of the  
33 Negotiable Instruments Law of this  
34 State. . . .

35 Revised Law

36 Sec. 9029.202. ISSUANCE OF REVENUE BONDS. The board may  
37 issue, by resolution and without a hearing or an election, bonds  
38 payable solely from net revenue of the authority's operation or  
39 from the proceeds of any contract for the authority's services.

1 (Acts 58th Leg., R.S., Ch. 101, Sec. 12 (part).)

2 Source Law

3 Sec. 12. . . . Bonds payable solely from net  
4 revenues of the Authority's operation or from the  
5 proceeds of any contract for the Authority's services  
6 may be issued by resolution of the Board of Directors  
7 and no hearing or election therefor shall be  
8 required. . . .

9 Revised Law

10 Sec. 9029.203. BONDS EXEMPT FROM TAXATION. An authority  
11 bond, the transfer of the bond, and income from the bond, including  
12 profits made on the sale of the bond, are exempt from taxation in  
13 this state. (Acts 58th Leg., R.S., Ch. 101, Sec. 15 (part).)

14 Source Law

15 Sec. 15. . . . the bonds issued hereunder and  
16 their transfer and the income therefrom, including the  
17 profits made on the sale thereof, shall at all times be  
18 free from taxation within this State.

19 Revisor's Note  
20 (End of Subchapter)

21 (1) Section 12, Chapter 101, Acts of the 58th  
22 Legislature, Regular Session, 1963, provides that  
23 before bonds may be sold by the authority, a certified  
24 copy of the proceedings for the issuance of the bonds,  
25 including the form of the bonds, together with any  
26 other information the attorney general requires, must  
27 be submitted to the attorney general; provides that if  
28 the attorney general finds that the bonds have been  
29 issued in accordance with law and approves the bonds,  
30 the attorney general shall execute a certificate to  
31 that effect; requires that the certificate be filed in  
32 the office of the comptroller and be recorded in a  
33 record kept for that purpose; prohibits the issuance  
34 of bonds until they have been registered by the  
35 comptroller; and requires the comptroller to register  
36 the bonds if the attorney general files with the  
37 comptroller the attorney general's certificate  
38 approving the bonds and the proceedings for the  
39 issuance of the bonds. The revised law omits those

1 provisions as duplicative of or superseded by Chapter  
2 1202, Government Code (enacted as Article 3, Chapter  
3 53, Acts of the 70th Legislature, 2nd Called Session,  
4 1987). Section 1202.003(a), Government Code, requires  
5 bonds to be submitted to the attorney general. Section  
6 1202.003(b), Government Code, provides for approval of  
7 the bonds by the attorney general and requires the  
8 attorney general to submit the approved bonds to the  
9 comptroller for registration. Section 1202.005,  
10 Government Code, requires registration of the bonds by  
11 the comptroller. Chapter 1202, Government Code,  
12 applies to authority bonds under Sections 1202.001 and  
13 1202.003, Government Code. The omitted law reads:

14           Sec. 12. . . . Before any bonds shall  
15 be sold by the Authority, a certified copy  
16 of the proceedings for the issuance  
17 thereof, including the form of such bonds,  
18 together with any other information which  
19 the Attorney General of Texas may require,  
20 shall be submitted to the Attorney General,  
21 and if he shall find that such bonds have  
22 been issued in accordance with the law, he  
23 shall approve such bonds and execute a  
24 certificate of approval which shall be  
25 filed in the office of the Comptroller of  
26 Public Accounts of the State of Texas, and  
27 be recorded in a record kept for that  
28 purpose. No bonds shall be issued until the  
29 same shall have been registered by the  
30 Comptroller of Public Accounts, who shall  
31 so register the same if the Attorney General  
32 shall have filed with the Comptroller of  
33 Public Accounts his certificate approving  
34 the bonds, and the proceedings for the  
35 issuance thereof, as hereinabove  
36 provided. . . .

37           (2) Section 12, Chapter 101, Acts of the 58th  
38 Legislature, Regular Session, 1963, details various  
39 procedures regarding the attorney general's approval  
40 of bond contracts and proceedings. The revised law  
41 omits the portion of Section 12 regarding the  
42 incontestability of a bond and of a contract the  
43 proceeds of which are pledged to the payment of a bond  
44 as impliedly repealed by Section 1202.006, Government  
45 Code (enacted as Section 3.002(d), Chapter 53, Acts of

1 the 70th Legislature, 2nd Called Session, 1987).  
2 Section 1202.006, Government Code, provides that after  
3 approval and registration of the bond, the bond and  
4 contract are incontestable for any reason. Section  
5 1202.006 applies to authority bonds under Sections  
6 1202.001 and 1202.003, Government Code. The omitted  
7 law reads:

8           Sec. 12. . . . When bonds or the  
9 proceedings pertaining thereto recite that  
10 they are secured by a pledge of the proceeds  
11 of a contract theretofore made between the  
12 Authority and any city, district, or other  
13 user, a copy of such contract and  
14 proceedings of the contracting parties  
15 shall be submitted to the Attorney General  
16 with the bond record, and if such bonds have  
17 been duly authorized and such contracts  
18 made in compliance with law, he shall  
19 approve the bonds and contracts and . . . .  
20 When approved as aforesaid, the bonds and  
21 contracts shall be valid and binding and  
22 shall be incontestable for any cause. . . .

23           (3) Section 12, Chapter 101, Acts of the 58th  
24 Legislature, Regular Session, 1963, provides that  
25 after approval the bonds shall be registered with the  
26 comptroller. The revised law omits that provision as  
27 superseded by Section 1202.005, Government Code  
28 (enacted in 1987 as Section 3.002(c), Chapter 53, Acts  
29 of the 70th Legislature, 2nd Called Session). Section  
30 1202.005, Government Code, applies to authority bonds  
31 by application of Section 1202.001, Government Code.  
32 The omitted law reads:

33           Sec. 12. . . . [the Attorney General  
34 . . . shall approve the bonds and contracts  
35 and] the bonds shall then be registered by  
36 the Comptroller of Public Accounts. . . .

37           (4) Section 12, Chapter 101, Acts of the 58th  
38 Legislature, Regular Session, 1963, lists the entities  
39 for which authority bonds are legal investments and  
40 provides that authority bonds may secure deposits of  
41 public funds of this state or political subdivisions  
42 of this state. The revised law omits the provision  
43 relating to the eligibility of authority bonds to be

1 considered as investments for various entities because  
2 it duplicates Section 49.186(a), Water Code. The  
3 revised law omits the provision relating to deposits  
4 of state funds by the comptroller as impliedly  
5 repealed by Section 404.0221, Government Code (enacted  
6 in 1995), which lists eligible collateral for deposits  
7 of state funds by the comptroller. As to deposits of  
8 other funds, the provision is impliedly repealed by  
9 Chapter 2257, Government Code (enacted in 1989 as  
10 Article 2529d, Vernon's Texas Civil Statutes), which  
11 governs eligible collateral for deposits of funds of  
12 other public agencies, including political  
13 subdivisions, and permits those deposits to be secured  
14 by obligations issued by conservation and reclamation  
15 districts. The omitted law reads:

16           Sec. 12. . . . All bonds of the  
17 Authority shall be and are hereby declared  
18 to be legal and authorized investments for  
19 banks, savings banks, trust companies,  
20 building and loan associations, savings and  
21 loan associations, insurance companies,  
22 fiduciaries, trustees and sinking funds of  
23 cities, towns and villages, counties,  
24 school districts, or other political  
25 subdivisions of the State of Texas, and for  
26 all public funds of the State of Texas or  
27 its agencies, including the State Permanent  
28 School Fund. Such bonds shall be eligible to  
29 secure deposit of any and all public funds  
30 of the State of Texas, and any and all  
31 public funds of cities, towns, villages,  
32 counties, school districts or other  
33 political subdivisions or corporations of  
34 the State of Texas; and such bonds shall be  
35 lawful and sufficient security for said  
36 deposits to the extent of their value, when  
37 accompanied by all unmatured coupons  
38 pertinent thereto.

39                           Revisor's Note  
40                           (End of Chapter)

41           (1) Section 6, Chapter 101, Acts of the 58th  
42 Legislature, Regular Session, 1963, provides that it  
43 is not necessary for the board to call a confirmation  
44 election. The revised law omits that provision as  
45 executed. The omitted law reads:

46           Sec. 6. [It shall not be necessary

1 for the Board of Directors to call] a  
2 confirmation election or . . . .

3 (2) Section 6, Chapter 101, Acts of the 58th  
4 Legislature, Regular Session, 1963, provides that a  
5 hearing on the exclusion of land and other property is  
6 not required. The revised law omits that provision  
7 because such a hearing would be held at the time of the  
8 authority's creation and is therefore executed.  
9 Ongoing requests to exclude territory from the  
10 authority are governed by Subchapter J, Chapter 49,  
11 Water Code, applicable to the authority under Sections  
12 49.001 and 49.002 of that chapter. The omitted law  
13 reads:

14 Sec. 6. [It shall not be necessary for  
15 the Board of Directors to call] . . . a  
16 hearing on the exclusion of lands and other  
17 property from the Authority, or . . . .

18 (3) Section 17, Chapter 101, Acts of the 58th  
19 Legislature, Regular Session, 1963, provides that the  
20 act is severable. The revised law omits that provision  
21 because the same result is produced by application of  
22 Section 311.032, Government Code (Code Construction  
23 Act), which states that a provision of a statute is  
24 severable from each other provision of the statute  
25 that can be given effect. The omitted law reads:

26 Sec. 17. . . . If any provision of  
27 the Act shall be invalid such fact shall not  
28 affect the creation of the Authority or the  
29 validity of any other provision of this Act,  
30 and the Legislature hereby declares that it  
31 would have created the Authority and  
32 enacted the valid provisions of this Act  
33 notwithstanding the invalidity of any other  
34 provision or provisions thereof.

35 (4) Section 2, Chapter 786, Acts of the 65th  
36 Legislature, Regular Session, 1977, recites  
37 legislative findings regarding procedural  
38 requirements for legislation for the creation of the  
39 authority under the constitution and other laws and  
40 rules, including proper legal notice and the filing of  
41 recommendations. The revised law omits those

1 provisions as executed. The omitted law reads:

2 Sec. 2. It is found, determined, and  
3 declared that proper and legal notice of the  
4 intention to introduce this Act, setting  
5 forth the general substance of this Act, has  
6 been duly and timely published and that such  
7 notice and a copy of this Act has been  
8 furnished to all persons, agencies,  
9 officials, or entities required by the  
10 constitution and laws of the State of Texas,  
11 including but not limited to the Governor of  
12 Texas, who has submitted such notice and Act  
13 to the Texas Water Rights Commission and  
14 said Texas Water Rights Commission has  
15 filed its recommendations as to such Act  
16 with the Governor, Lieutenant Governor, and  
17 Speaker of the House of Representatives of  
18 Texas within the requisite time, and all  
19 requirements of the constitution and laws  
20 of the State of Texas and the rules and  
21 procedures of the Legislature of the State  
22 of Texas with respect to the notice,  
23 introduction, and passage of this Act have  
24 been fulfilled and accomplished.

25 CHAPTER 9032. COKE COUNTY KICKAPOO WATER CONTROL AND  
26 IMPROVEMENT DISTRICT NO. 1

27 SUBCHAPTER A. GENERAL PROVISIONS

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29 Sec. 9032.002. NATURE OF DISTRICT . . . . . 1434  
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31 Sec. 9032.004. APPLICABILITY OF OTHER WATER CONTROL  
32 AND IMPROVEMENT DISTRICT LAW . . . . . 1435

33 [Sections 9032.005-9032.050 reserved for expansion]

34 SUBCHAPTER B. DISTRICT TERRITORY

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36 Sec. 9032.052. HEARING FOR EXCLUSION OF TERRITORY . . . . . 1437

37 [Sections 9032.053-9032.100 reserved for expansion]

38 SUBCHAPTER C. BOARD OF DIRECTORS

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1 CHAPTER 9032. COKE COUNTY KICKAPOO WATER CONTROL AND  
2 IMPROVEMENT DISTRICT NO. 1

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Revised Law

5 Sec. 9032.001. DEFINITIONS. In this chapter:

6 (1) "Board" means the district's board of directors.

7 (2) "Director" means a board member.

8 (3) "District" means the Coke County Kickapoo Water  
9 Control and Improvement District No. 1. (Acts 56th Leg., 1st C.S.,  
10 Ch. 17, Sec. 1 (part); New.)

11 Source Law

12 Sec. 1. . . . [a conservation, reclamation and  
13 improvement district] to be known as the Coke County  
14 Kickapoo Water Control and Improvement District No. 1,  
15 . . . .

16 Revisor's Note

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

21 Revised Law

22 Sec. 9032.002. NATURE OF DISTRICT. The district is a  
23 conservation, reclamation, and improvement district in Coke  
24 County. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 1 (part).)

25 Source Law

26 Sec. 1. There is hereby created within the State  
27 of Texas a conservation, reclamation and improvement  
28 district to be known as the Coke County Kickapoo Water  
29 Control and Improvement District No. 1, . . . lying  
30 wholly within the borders of Coke County . . . .

31 Revisor's Note

32 (1) Section 1, Chapter 17, Acts of the 56th  
33 Legislature, 1st Called Session, 1959, provides that  
34 the district is "hereby created." The revised law  
35 omits the quoted language as executed.

36 (2) Section 1, Chapter 17, Acts of the 56th  
37 Legislature, 1st Called Session, 1959, states that the  
38 district is being created "within the State of Texas."

1 The revised law omits the quoted language because the  
2 legislature does not have the authority to create a  
3 district outside Texas.

4 (3) Section 1, Chapter 17, Acts of the 56th  
5 Legislature, 1st Called Session, 1959, provides that  
6 the district is a "governmental agency and body  
7 politic." The revised law omits the quoted language  
8 because it duplicates a portion of Section 59(b),  
9 Article XVI, Texas Constitution, which provides that a  
10 conservation and reclamation district is a  
11 governmental agency and body politic. The omitted law  
12 reads:

13 Sec. 1. . . . The District is hereby  
14 declared to be a governmental agency and  
15 body politic . . . .

16 Revised Law

17 Sec. 9032.003. FINDINGS OF BENEFIT. All territory included  
18 in the district will benefit from the works and projects  
19 accomplished by the district under the powers conferred by Section  
20 59, Article XVI, Texas Constitution. (Acts 56th Leg., 1st C.S., Ch.  
21 17, Sec. 2 (part).)

22 Source Law

23 Sec. 2. It is expressly determined and found  
24 that all of the territory included within the area of  
25 the District will be benefited by the works and  
26 projects which are to be accomplished by the District  
27 pursuant to the powers conferred by the provisions of  
28 Article XVI, Section 59 of the Constitution of  
29 Texas. . . .

30 Revised Law

31 Sec. 9032.004. APPLICABILITY OF OTHER WATER CONTROL AND  
32 IMPROVEMENT DISTRICT LAW. Except as provided in this chapter,  
33 general laws pertaining to water control and improvement districts  
34 govern the district. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 15  
35 (part).)

36 Source Law

37 Sec. 15. Except as modified or supplemented by  
38 the provisions of this Act, all laws or parts of laws  
39 now in effect or hereafter adopted as well as those  
40 amendatory or supplemental to the General Laws



1 (3) other law. (Acts 56th Leg., 1st C.S., Ch. 17, Sec.  
2 1 (part); New.)

3 Source Law

4 Sec. 1. . . . [a conservation, reclamation and  
5 improvement district] . . . which District shall  
6 include and consist of the hereinafter defined area,  
7 . . . described and contained within the metes and  
8 bounds set forth in Section 2 of this Act. . . .

9 Revisor's Note

10 The revision of the law governing the district  
11 does not revise the statutory language describing the  
12 territory of the district to avoid the lengthy  
13 recitation of the description and because that  
14 description may not be accurate on the effective date  
15 of the revision or at the time of a later reading. For  
16 the reader's convenience, the revised law includes a  
17 reference to the statutory description of the  
18 district's territory and references to statutory  
19 authority to change the district's territory under  
20 Subchapter O, Chapter 51, Water Code, applicable to  
21 water control and improvement districts, and under  
22 Subchapter J, Chapter 49, Water Code, applicable to  
23 the district under Sections 49.001 and 49.002 of that  
24 chapter. The revised law also includes a reference to  
25 the general authority of the legislature to enact a law  
26 to change the district's territory.

27 Revised Law

28 Sec. 9032.052. HEARING FOR EXCLUSION OF TERRITORY. A  
29 hearing is not required for the exclusion of territory from the  
30 district. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 6 (part).)

31 Source Law

32 Sec. 6. It shall not be necessary for the  
33 District to have a hearing for exclusion of land or  
34 . . . .

35 [Sections 9032.053-9032.100 reserved for expansion]

1 SUBCHAPTER C. BOARD OF DIRECTORS

2 Revised Law

3 Sec. 9032.101. COMPOSITION OF BOARD. The board is composed  
4 of five elected directors. (Acts 56th Leg., 1st C.S., Ch. 17, Sec.  
5 16 (part).)

6 Source Law

7 Sec. 16. The Board of Directors of the District  
8 shall be composed of five (5) persons. . . . duly  
9 elected and . . . .

10 Revisor's Note

11 Section 16, Chapter 17, Acts of the 56th  
12 Legislature, 1st Called Session, 1959, refers to the  
13 initial board of directors. The revised law omits the  
14 language relating to the creation of the initial board  
15 and vacancy procedures for the initial board as  
16 executed. The omitted law reads:

17 Sec. 16. . . . Immediately after  
18 this Act becomes effective, the following  
19 named persons shall be the Directors of the  
20 District and shall constitute the Board of  
21 Directors of said District:

22 F. S. Higginbotham  
23 D. K. Glenn  
24 J. A. Percifull  
25 Austin Sandusky  
26 Preston Davis

27 The Board of Directors herein and hereby  
28 appointed shall serve until their  
29 successors have been . . . qualified, and  
30 . . . . The first two (2) Directors named  
31 above shall serve until the second Tuesday  
32 in January, 1960, and the following three  
33 (3) Directors shall serve until the second  
34 Tuesday in January, 1961. . . .

35 Revised Law

36 Sec. 9032.102. QUALIFICATIONS FOR OFFICE. A director must  
37 be:

- 38 (1) at least 18 years of age;  
39 (2) a resident of the state and district; and  
40 (3) an owner of taxable property in the district.

41 (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 16 (part).)

42 Source Law

43 Sec. 16. . . . no person shall be a Director  
44 unless he shall be at least twenty-one (21) years of  
45 age, a citizen of the State of Texas, a resident of

1 said District, and an owner of taxable property within  
2 the area of the District. . . .

3 Revisor's Note

4 (1) Section 16, Chapter 17, Acts of the 56th  
5 Legislature, 1st Called Session, 1959, states that a  
6 person must be "at least twenty-one (21) years of age"  
7 to serve as a director. The revised law substitutes  
8 "at least 18 years of age" for the quoted language  
9 because Section 129.001, Civil Practice and Remedies  
10 Code, establishes 18 years of age as the age of  
11 majority in this state. Section 129.002, Civil  
12 Practice and Remedies Code, provides that a law  
13 adopted before August 27, 1973, that extends a right,  
14 privilege, or obligation to an individual on the basis  
15 of a minimum age of 19, 20, or 21 years shall be  
16 interpreted as prescribing a minimum age of 18 years.  
17 Section 16 was enacted in 1959 and has not been  
18 amended.

19 (2) Section 16, Chapter 17, Acts of the 56th  
20 Legislature, 1st Called Session, 1959, refers to a  
21 "citizen" of the state. The revised law substitutes  
22 "resident" for "citizen" because, in the context of  
23 this section, "citizen" and "resident" are synonymous  
24 and "resident" is more commonly used.

25 Revised Law

26 Sec. 9032.103. ELECTION OF DIRECTORS. (a) An election  
27 order for a directors' election must state the time, place, and  
28 purpose of the election.

29 (b) Notice of a directors' election must be published in a  
30 newspaper of general circulation in the district for two  
31 consecutive weeks in not less than two publications at least 20 days  
32 before the date of the election. (Acts 56th Leg., 1st C.S., Ch. 17,  
33 Sec. 16 (part).)

34 Source Law

35 Sec. 16. . . . An election for Directors shall  
36 be held within the District at a place designated by

1 the Directors on the second Tuesday in January of each  
2 year, as provided herein. Two (2) Directors shall be  
3 elected in each even numbered year, and three (3)  
4 Directors shall be elected in each odd numbered year.

5 An election of Directors shall be held on the  
6 second Tuesday in January of each year beginning with  
7 the year 1960, and as herein provided. Notices of the  
8 yearly election shall be published in a newspaper of  
9 general circulation in said area for two (2)  
10 consecutive weeks in not less than two (2)  
11 publications at least twenty (20) days before the  
12 election. The election order shall state the time,  
13 place, and purpose of the election and . . . . Only  
14 qualified electors residing within the confines of  
15 said District shall be entitled to vote at said  
16 election. . . .

17 Revisor's Note

18 (1) Section 16, Chapter 17, Acts of the 56th  
19 Legislature, 1st Called Session, 1959, states that  
20 directors' elections shall be held "on the second  
21 Tuesday in January" of each year. The revised law  
22 omits that provision as superseded by Section 49.103,  
23 Water Code, enacted in 1995 and amended in 2001 and  
24 2005. That section requires board elections to be held  
25 on the uniform election date established by the  
26 Election Code in May of each even-numbered year. In  
27 addition, Chapter 1318, Acts of the 82nd Legislature,  
28 Regular Session, 2011, amended Section 41.0052,  
29 Election Code, to allow a political subdivision to  
30 change the date of its general election for officers to  
31 another uniform date. In addition, throughout this  
32 chapter, the revised law omits law that is superseded  
33 by Chapter 49, Water Code, or that duplicates law  
34 contained in that chapter. Chapter 49, Water Code,  
35 applies to the district under Sections 49.001 and  
36 49.002 of that chapter.

37 (2) Section 16, Chapter 17, Acts of the 56th  
38 Legislature, 1st Called Session, 1959, specifies that  
39 directors' elections are to be held "beginning with the  
40 year 1960." The revised law omits the quoted language  
41 as executed.

42 (3) Section 16, Chapter 17, Acts of the 56th

1 Legislature, 1st Called Session, 1959, provides that  
2 directors' elections shall be held "each year" and  
3 "yearly" and that "[t]wo (2) Directors shall be  
4 elected in each even numbered year, and three (3)  
5 Directors shall be elected in each odd numbered year."  
6 The revised law omits the quoted language as expressly  
7 superseded by the enactment of Section 49.103, Water  
8 Code. Section 49.103, Water Code, provides for a  
9 four-year term for directors, with the appropriate  
10 number of directors elected in each even-numbered  
11 year.

12 (4) Section 16, Chapter 17, Acts of the 56th  
13 Legislature, 1st Called Session, 1959, provides that  
14 the board shall appoint persons to assist in the  
15 election of directors. The revised law omits the  
16 provision as superseded by the 1985 enactment of the  
17 Election Code, applicable to the district under  
18 Section 1.002, Election Code. Chapter 32, Election  
19 Code, governs the selection of election judges and  
20 clerks. The omitted law reads:

21 Sec. 16. . . . the Board of Directors  
22 of said District shall appoint a presiding  
23 judge who shall appoint an election judge  
24 and two (2) clerks to assist in the holding  
25 of the election. . . .

26 (5) Section 16, Chapter 17, Acts of the 56th  
27 Legislature, 1st Called Session, 1959, provides that  
28 "[o]nly qualified electors residing within the  
29 confines of said District shall be entitled to vote at  
30 said election." The revised law omits the quoted  
31 language as unnecessary in this context because  
32 Chapter 11, Election Code, governs eligibility to vote  
33 in an election in this state and allows only  
34 "qualified" voters who are residents of the territory  
35 covered by the election to vote in an election.



1 secretary of the Board of Directors of the District.  
2 The petition shall be presented on such date as will  
3 allow no less than twenty (20) full days between the  
4 date of presentation and the date of election.  
5 . . .

6 Revised Law

7 Sec. 9032.106. DIRECTOR'S BOND. Each director shall make  
8 bond in the amount of \$5,000 payable to the county judge of Coke  
9 County for the faithful performance of the director's duties.  
10 (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 16 (part).)

11 Source Law

12 Sec. 16. . . . Each Director . . . shall make  
13 bond in the amount of Five Thousand Dollars (\$5,000)  
14 payable to the County Judge of Coke County for the  
15 faithful performance of his duties, . . . .

16 Revisor's Note

17 (1) Section 16, Chapter 17, Acts of the 56th  
18 Legislature, 1st Called Session, 1959, requires each  
19 director to subscribe to the constitutional oath of  
20 office. The revised law omits that provision because  
21 Section 1, Article XVI, Texas Constitution, requires  
22 an officer of the state to take the oath (or  
23 affirmation) before assuming office. The omitted law  
24 reads:

25 Sec. 16. . . . [Each Director] shall  
26 subscribe to the constitutional oath of  
27 office and . . . .

28 (2) Section 16, Chapter 17, Acts of the 56th  
29 Legislature, 1st Called Session, 1959, requires the  
30 district to pay the cost of a director's bond. The  
31 revised law omits that provision because it  
32 duplicates, in substance, Section 49.055(c), Water  
33 Code. The omitted law reads:

34 Sec. 16. . . . [Each Director . . .  
35 shall make bond] . . . the cost of which  
36 shall be paid by the District and . . . .

37 Revised Law

38 Sec. 9032.107. VOTE BY BOARD PRESIDENT. The president has  
39 the same right to vote as any other director. (Acts 56th Leg., 1st  
40 C.S., Ch. 17, Sec. 17 (part).)



1 Revised Law

2 Sec. 9032.111. EMPLOYEES. The board may employ a general  
3 manager, attorney, engineer, or other technical or nontechnical  
4 employees or assistants and set the amount and manner of their  
5 compensation. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 18 (part).)

6 Source Law

7 Sec. 18. The Board of Directors . . . may employ  
8 a general manager, attorney, engineer, or other  
9 technical or non-technical employees or assistants;  
10 fix the amount and manner of the compensation and  
11 . . . .

12 Revised Law

13 Sec. 9032.112. SEAL. The board may adopt a seal for the  
14 district. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 19.)

15 Source Law

16 Sec. 19. The Board may adopt a seal for the  
17 District.

18 Revisor's Note  
19 (End of Subchapter)

20 (1) Section 16, Chapter 17, Acts of the 56th  
21 Legislature, 1st Called Session, 1959, provides that a  
22 majority of the directors constitutes a quorum. The  
23 revised law omits that provision because it duplicates  
24 Section 49.053, Water Code. The omitted law reads:

25 Sec. 16. . . . a majority of such  
26 Directors shall constitute a quorum for the  
27 transacting of any business of the  
28 District. . . .

29 (2) Section 16, Chapter 17, Acts of the 56th  
30 Legislature, 1st Called Session, 1959, describes the  
31 procedure for filling a board vacancy. The revised law  
32 omits that provision because it duplicates, in  
33 substance, Section 49.105, Water Code, which  
34 establishes procedures for filling a board vacancy.  
35 The omitted law reads:

36 Sec. 16. . . .  
37 Any vacancies occurring in the Board  
38 of Directors of the District shall be filled  
39 for the unexpired term by a majority vote of  
40 the remaining members of the Board of  
41 Directors.

1           (3) Section 17, Chapter 17, Acts of the 56th  
2           Legislature, 1st Called Session, 1959, provides for  
3           the selection of the president and vice president and  
4           certain duties of the president. The revised law omits  
5           those provisions because they duplicate Section  
6           49.054, Water Code. The omitted law reads:

7                        Sec. 17. The Board of Directors of  
8                        the District shall choose from its number a  
9                        president and a vice-president and such  
10                      other officers as in the judgment of the  
11                      Board are necessary. [The president] shall  
12                      be the chief executive officer and the  
13                      presiding officer of the Board and . . . .

14           [Sections 9032.113-9032.150 reserved for expansion]

15                                SUBCHAPTER D. POWERS AND DUTIES

16                                        Revised Law

17           Sec. 9032.151. GENERAL POWERS.   (a)   The district may  
18           exercise the rights, privileges, functions, and authority granted  
19           water control and improvement districts by:

20                        (1) Chapters 49 and 51, Water Code; and

21                        (2) all other laws relating to water control and  
22           improvement districts.

23           (b) To the extent a general law described by Subsection (a)  
24           conflicts or is inconsistent with this chapter, this chapter  
25           prevails. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 1 (part).)

26                                        Source Law

27                        Sec. 1. . . . The District . . . with power to  
28                        exercise the rights, privileges, functions and  
29                        authority granted water control and improvement  
30                        districts by Chapter 3-A, Title 128 of the Revised  
31                        Civil Statutes of Texas, 1925, and all amendments  
32                        thereto, heretofore and hereafter enacted and all  
33                        other laws of the State of Texas relating to water  
34                        control and improvement districts . . . . To the  
35                        extent that the provisions of any such General Laws may  
36                        be in conflict or inconsistent with the provisions of  
37                        this Act, the provisions of this Act shall prevail.

38                                        Revisor's Note

39           (1) Section 1, Chapter 17, Acts of the 56th  
40           Legislature, 1st Called Session, 1959, refers to  
41           "Chapter 3-A, Title 128 of the Revised Civil Statutes  
42           of Texas, 1925." The revised law substitutes a

1 reference to Chapter 51, Water Code, for the quoted  
2 language because the relevant provisions of Chapter  
3 3A, Title 128, Revised Statutes, were codified in 1971  
4 as Chapter 51, Water Code. For the reader's  
5 convenience, the revised law includes a reference to  
6 Chapter 49, Water Code, because Chapter 715, Acts of  
7 the 74th Legislature, Regular Session, 1995, repealed  
8 many provisions of Chapter 51 and enacted similar  
9 provisions in Chapter 49, Water Code.

10 (2) Section 1, Chapter 17, Acts of the 56th  
11 Legislature, 1st Called Session, 1959, refers to "all  
12 amendments thereto, heretofore and hereafter  
13 enacted." The revised law omits the quoted language  
14 because under Section 311.027, Government Code (Code  
15 Construction Act), a reference to a statute applies to  
16 all reenactments, revisions, or amendments of that  
17 statute unless expressly provided otherwise.

18 (3) Section 1, Chapter 17, Acts of the 56th  
19 Legislature, 1st Called Session, 1959, provides that  
20 any general law relating to water control and  
21 improvement districts is incorporated by reference.  
22 The revised law omits the provision as unnecessary.  
23 Because this chapter references the laws that apply to  
24 the district, it is unnecessary to duplicate the  
25 substance of those laws in this section by means of  
26 adoption and incorporation by reference. In addition,  
27 this section provides that this chapter prevails in  
28 case of any conflict with another law. The omitted law  
29 reads:

30 Sec. 1. . . . [all other laws of the  
31 State of Texas relating to water control and  
32 improvement districts] (all such laws being  
33 hereinafter referred to as General Laws).  
34 All such General Laws are hereby  
35 incorporated by this reference, to the same  
36 effect as if set out in full in this  
37 Act. . . .

1 Revised Law

2 Sec. 9032.152. WATER CONTROL AND IMPROVEMENT DISTRICT  
3 POWERS. To accomplish a purpose for which the district is created,  
4 the district has the powers conferred by the general laws of this  
5 state on water control and improvement districts, including the  
6 power to:

7 (1) construct, acquire, improve, maintain, and repair  
8 a dam or other structure; and

9 (2) acquire land easements, rights, property, or  
10 equipment needed to use, control, or distribute water that may be  
11 impounded, diverted, or controlled by the district. (Acts 56th  
12 Leg., 1st C.S., Ch. 17, Sec. 5.)

13 Source Law

14 Sec. 5. In exercising the power for which the  
15 District is created, it shall have all the authority  
16 conferred by the General Law upon water control and  
17 improvement districts, including but not limited to  
18 the power to construct, acquire, improve, maintain and  
19 repair dams or other structures and the acquisition of  
20 land easements, rights, properties, and equipment  
21 which may be needed to utilize, control and distribute  
22 any waters that may be impounded, diverted or  
23 controlled by the District.

24 Revisor's Note

25 Section 5, Chapter 17, Acts of the 56th  
26 Legislature, 1st Called Session, 1959, refers to  
27 authority "including but not limited to" certain  
28 powers. The revised law omits "but not limited to"  
29 because Section 311.005(13), Government Code (Code  
30 Construction Act), provides that "includes" and  
31 "including" are terms of enlargement and not of  
32 limitation and do not create a presumption that  
33 components not expressed are excluded.

34 Revised Law

35 Sec. 9032.153. CONTROL OF WATER AND FLOODWATER;  
36 RECLAMATION. The district has the power to:

37 (1) control, store, preserve, and distribute the water  
38 and floodwater in the district for the irrigation of arid land,  
39 conservation, preservation, reclamation, and drainage of the lands

1 in the district;

2 (2) carry out flood prevention measures to prevent  
3 damage to land and other property in the district; and

4 (3) reclaim lands heretofore damaged because of the  
5 failure to provide the facilities authorized under this chapter.  
6 (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 4.)

7 Source Law

8 Sec. 4. The District shall have and exercise and  
9 is hereby vested with the power and authority to  
10 control, store, preserve and distribute the water and  
11 floodwaters within the boundaries of the District, for  
12 the irrigation of arid land, conservation,  
13 preservation, reclamation, and drainage of the lands  
14 within the District, and is empowered to carry out  
15 flood prevention measures to prevent damage to land  
16 and property within the District, and to reclaim lands  
17 heretofore damaged by reason of the prior failure to  
18 provide the facilities authorized under the provisions  
19 of this Act.

20 Revisor's Note

21 (1) Section 4, Chapter 17, Acts of the 56th  
22 Legislature, 1st Called Session, 1959, provides that  
23 the district shall "have and exercise and is hereby  
24 vested with" certain powers. The revised law  
25 substitutes "has" for the quoted language because, in  
26 context, the terms are synonymous and "has" is more  
27 commonly used.

28 (2) Section 4, Chapter 17, Acts of the 56th  
29 Legislature, 1st Called Session, 1959, refers to  
30 "power and authority." The revised law omits  
31 "authority" because, in context, "authority" is  
32 included in the meaning of "power."

33 Revised Law

34 Sec. 9032.154. POWERS RELATING TO THE WATER OF KICKAPOO  
35 CREEKS; SURVEYS, MAPS, AND PLANS. (a) The district may conduct  
36 preliminary surveys and develop and map out a plan for the control  
37 and use of the water of Kickapoo Creeks to the end that improvements  
38 on any part of the watershed will be mechanically and economically  
39 related to the improvements of the entire watershed.

40 (b) On the completion of the survey, map, or plan and the

1 adoption of the survey, map, or plan by the board, a certified copy  
2 of the survey, map, or plan must be filed for informational purposes  
3 with the Texas Commission on Environmental Quality. (Acts 56th  
4 Leg., 1st C.S., Ch. 17, Sec. 3.)

5 Source Law

6 Sec. 3. Without limiting the generality of the  
7 foregoing, the District herein created shall be and is  
8 hereby empowered to conduct preliminary surveys and  
9 develop and map out a plan for the control and use of  
10 the waters of Kickapoo Creeks to the end that  
11 improvements upon any part of the watershed will be  
12 mechanically and economically related to the  
13 improvements of the entire watershed. Upon the  
14 completion of such surveys, maps and plans, and the  
15 adoption of the same by the directors of the District,  
16 a certified copy thereof shall be filed with the State  
17 Board of Water Engineers for informational purposes.

18 Revisor's Note

19 (1) Section 3, Chapter 17, Acts of the 56th  
20 Legislature, 1st Called Session, 1959, provides that  
21 "[w]ithout limiting the generality of the foregoing"  
22 the district has certain powers. The revised law omits  
23 the quoted language because under Section 311.021(2),  
24 Government Code (Code Construction Act), it is  
25 presumed that all parts of a statute are intended to be  
26 effective. Any applicable limitations apply by their  
27 own terms.

28 (2) Section 3, Chapter 17, Acts of the 56th  
29 Legislature, 1st Called Session, 1959, refers to the  
30 State Board of Water Engineers. The Texas Commission  
31 on Environmental Quality has succeeded to the relevant  
32 functions of the board of water engineers and the  
33 revised law is drafted accordingly.

34 Revised Law

35 Sec. 9032.155. GENERAL PROPERTY POWER. In addition to  
36 powers granted the district under other law, the district has the  
37 power to purchase, construct, maintain, condemn, or in any other  
38 manner acquire, provide, and develop all works, facilities,  
39 improvements, lands, easements, rights, and other properties in the  
40 district that may be necessary or useful in fulfilling the purposes

1 of the district. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 7.)

2 Source Law

3 Sec. 7. Said District is further authorized and  
4 empowered to purchase, construct, maintain, condemn,  
5 or in any other lawful manner acquire, provide and  
6 develop all works, facilities, improvements, lands,  
7 easements, rights and properties within the District  
8 which may be necessary or useful in fulfilling the  
9 purposes of the District.

10 Revised Law

11 Sec. 9032.156. COST OF RELOCATING OR ALTERING PROPERTY. If  
12 the district's exercise of the power of eminent domain, the power of  
13 relocation, or any other power granted under this chapter makes  
14 necessary the relocating, raising, rerouting, changing grades of,  
15 or altering the construction of any highway, railroad, electric  
16 transmission line, pipeline, telephone, or telegraph property or  
17 facility, the necessary action shall be accomplished at the sole  
18 expense of the district. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 15  
19 (part).)

20 Source Law

21 Sec. 15. . . .  
22 In the event that the District, in the exercise of  
23 the power of eminent domain or power of relocation, or  
24 any other power granted hereunder, makes necessary the  
25 relocation, raising, re-routing or changing grades of,  
26 or altering the construction of any highway, railroad,  
27 electric transmission line, or pipeline, or telephone  
28 or telegraph properties or facilities, all such  
29 necessary relocation, raising, re-routing, changing  
30 of grade or alteration of construction shall be  
31 accomplished at the sole expense of the District.

32 Revised Law

33 Sec. 9032.157. SURVEYS; ENGINEERING INVESTIGATIONS. The  
34 board may conduct or provide for surveys and engineering  
35 investigations for the district and its associates or affiliates to  
36 accomplish district purposes. (Acts 56th Leg., 1st C.S., Ch. 17,  
37 Sec. 18 (part).)

38 Source Law

39 Sec. 18. The Board of Directors from time to  
40 time shall be authorized, in addition to the powers and  
41 authority herein granted, and without limitation of  
42 the same to make or cause to be made surveys and  
43 engineering investigations for the information of the  
44 District, and its associates or affiliates, to  
45 facilitate the accomplishment of the purposes for  
46 which the District is created, and . . . .

1 Revisor's Note

2 (1) Section 18, Chapter 17, Acts of the 56th  
3 Legislature, 1st Called Session, 1959, refers to the  
4 board's authority to make surveys and engineering  
5 investigations "from time to time." The revised law  
6 omits the quoted language because the power to take an  
7 action includes the power to act "from time to time."

8 (2) Section 18, Chapter 17, Acts of the 56th  
9 Legislature, 1st Called Session, 1959, gives the board  
10 certain powers that are "in addition to the powers and  
11 authority herein granted." The revised law omits the  
12 quoted language because the powers to which it refers  
13 are expressly set forth in other sections of this  
14 chapter and a general reference to them is  
15 unnecessary.

16 (3) Section 18, Chapter 17, Acts of the 56th  
17 Legislature, 1st Called Session, 1959, grants the  
18 district certain powers "without limitation of the  
19 same." The revised law omits the quoted language  
20 because the language does not create a presumption  
21 that components not expressed are excluded.

22 Revised Law

23 Sec. 9032.158. EQUIPMENT; SUPPLIES. The board may provide  
24 equipment and supplies considered essential to properly maintain  
25 the district. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 18 (part).)

26 Source Law

27 Sec. 18. The Board of Directors . . . may  
28 provide for the equipment and supplies deemed  
29 essential to the proper maintenance of the District in  
30 its affairs.

31 Revised Law

32 Sec. 9032.159. COOPERATION IN WILDLIFE PROGRAMS. The  
33 district may cooperate with state, federal, and other agencies and  
34 groups in wildlife programs that are:

35 (1) not inconsistent with the purposes of this  
36 chapter; and

1 (2) designed to improve the general habitat of  
2 wildlife and promote the general propagation of wildlife. (Acts  
3 56th Leg., 1st C.S., Ch. 17, Sec. 14.)

4 Source Law

5 Sec. 14. The District is hereby empowered and  
6 authorized to cooperate with the State, Federal and  
7 other agencies and groups in wildlife programs not  
8 inconsistent with the purposes of the District set  
9 forth herein, designed to improve the general habitat  
10 of wildlife and to promote the general propagation  
11 thereof.

12 [Sections 9032.160-9032.200 reserved for expansion]

13 SUBCHAPTER E. TAXES

14 Revised Law

15 Sec. 9032.201. HEARING ON CHANGE IN METHOD OF TAXATION;  
16 LIMITATION. (a) Except as provided by Subsection (b), the district  
17 may call a hearing to consider changing the method of taxation.

18 (b) Once district bonds are approved by the attorney general  
19 or district court, the district may not change the plan of taxation.  
20 (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 11 (part).)

21 Source Law

22 Sec. 11. The District, upon the adoption of the  
23 plan or method of taxation, may call future hearings  
24 . . . to consider a change in the method of taxation;  
25 however, once bonds are approved by the Attorney  
26 General or District Court the District may not  
27 thereafter change the plan of taxation.

28 Revisor's Note

29 Section 11, Chapter 17, Acts of the 56th  
30 Legislature, 1st Called Session, 1959, provides that  
31 the district may call hearings to change a method of  
32 taxation in the same manner as for adoption of the  
33 original tax plan. The revised law omits that  
34 provision because under Section 11, Chapter 17, Acts  
35 of the 56th Legislature, 1st Called Session, 1959, the  
36 original ad valorem plan of taxation was adopted  
37 without requiring a hearing, and there are no other  
38 provisions in the act relating to procedures for  
39 conducting a hearing for the adoption of the original  
40 tax plan. The omitted law reads:

1                   Sec. 11. [The District . . . may call  
2 future hearings] (in the same manner as for  
3 the adoption of the original plan) [to  
4 consider a change in the method of taxation]  
5 . . . .

6                                   Revised Law

7           Sec. 9032.202. MAINTENANCE TAX ELECTION PROCEDURES. (a) A  
8 maintenance tax election shall be called and notice given in the  
9 same manner as for a bond election.

10           (b) This chapter does not prevent the calling of a later  
11 maintenance tax election to establish or increase the amount of tax  
12 if the board determines that a maintenance tax election is  
13 required. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 9 (part).)

14                                   Source Law

15           Sec. 9. . . . The election shall be called and  
16 notice given in the same manner as authorized  
17 hereunder for a bond election and . . . nothing herein  
18 shall prevent the calling of subsequent maintenance  
19 tax elections to establish or increase the amount of  
20 tax, should the directors find such election is  
21 required.

22                                   Revisor's Note

23           Section 9, Chapter 17, Acts of the 56th  
24 Legislature, 1st Called Session, 1959, states that a  
25 maintenance tax election shall be held "in the same  
26 manner as authorized hereunder for a bond election."  
27 The revised law omits "authorized hereunder" because  
28 neither Section 9 nor the rest of the act contains bond  
29 election procedures.

30                                   Revised Law

31           Sec. 9032.203. MAINTENANCE TAX RATE. In calling a  
32 maintenance tax election, the board must specify the maximum  
33 proposed tax rate. To impose a maintenance tax at a rate that  
34 exceeds the maximum proposed rate approved by the voters, the board  
35 must submit the question of a tax rate increase to the voters.  
36 (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 9 (part).)

37                                   Source Law

38           Sec. 9. . . . In calling the election, the  
39 directors shall specify the maximum rate of tax which  
40 is sought to be levied, and no tax in excess of that  
41 amount may be levied without submitting the question

1 of the increased rate of taxation to the electors  
2 hereinabove described. . . .

3 Revisor's Note

4 Section 9, Chapter 17, Acts of the 56th  
5 Legislature, 1st Called Session, 1959, refers to taxes  
6 being "levied." The revised law substitutes "impose"  
7 for "levy" because "impose" is the term generally used  
8 in Title 1, Tax Code, and includes the levy,  
9 assessment, and collection of a tax.

10 Revisor's Note  
11 (End of Subchapter)

12 Section 9, Chapter 17, Acts of the 56th  
13 Legislature, 1st Called Session, 1959, authorizes the  
14 district to levy a maintenance tax if the tax is  
15 approved by the voters. The section also provides that  
16 an election for a maintenance tax may be held at the  
17 same time as a bond election. The revised law omits  
18 those provisions because they duplicate, in substance,  
19 Section 49.107, Water Code. The section also refers to  
20 "qualified, property taxpaying voters." The revised  
21 law omits the quoted language because in Hill v. Stone,  
22 421 U.S. 289 (1975), the United States Supreme Court  
23 held that property ownership as a qualification for  
24 voting is an unconstitutional denial of equal  
25 protection. The omitted law reads:

26 Sec. 9. The District shall have the  
27 power to levy and assess a maintenance tax;  
28 provided, however, that no such maintenance  
29 tax shall be levied until approved and  
30 authorized by a majority of the resident,  
31 qualified, property taxpaying voters  
32 participating at an election called for  
33 that purpose. . . . [The election] . . .  
34 may be held simultaneously with such bond  
35 election, but . . . .

36 [Sections 9032.204-9032.250 reserved for expansion]

37 SUBCHAPTER F. BONDS

38 Revised Law

39 Sec. 9032.251. ISSUANCE OF BONDS. To accomplish a district  
40 purpose, the district may issue bonds as provided by general law for

1 water control and improvement districts to obtain money necessary  
2 to furnish land, easements, or improvements, to maintain a  
3 structure, or for channeling, or other works of improvement  
4 performed or constructed by the district or others in cooperation  
5 with the district. (Acts 56th Leg., 1st C.S., Ch. 17, Sec. 8  
6 (part).)

7 Source Law

8 Sec. 8. For the accomplishment of any one or  
9 more of the purposes for which the District is created,  
10 it . . . may issue bonds in the manner hereinafter  
11 provided, for the purpose of acquiring the funds  
12 necessary to furnish land, easements or improvements,  
13 for the purpose of maintaining the structures, for  
14 channeling or other works of improvement performed or  
15 constructed by the District, or others in cooperation  
16 with the District.

17 Revisor's Note

18 Section 8, Chapter 17, Acts of the 56th  
19 Legislature, 1st Called Session, 1959, refers to the  
20 district's power to cooperate with federal entities.  
21 The revised law omits that provision because it  
22 duplicates, in substance, provisions of Section  
23 49.227, Water Code, that provide the district with the  
24 power to act jointly. The omitted law reads:

25 Sec. 8. . . . [the District] . . .  
26 shall have the power and is hereby empowered  
27 to act jointly with, and cooperate with, any  
28 agency, representative, instrumentality or  
29 department of the Federal Government, and  
30 . . . .

31 Revised Law

32 Sec. 9032.252. PLEDGE OF REVENUE TO PAY BONDS. When the  
33 board selects a plan of taxation, the board may pledge district  
34 revenue to pay bonds authorized by voters. (Acts 56th Leg., 1st  
35 C.S., Ch. 17, Sec. 10.)

36 Source Law

37 Sec. 10. If the bonds are authorized by the  
38 electorate under the provisions of Section 12 of this  
39 Act the directors may at the time of selecting a plan  
40 or plans of taxes also authorize the pledging of the  
41 revenues of the District to the payment of such bonds.

42 Revisor's Note

43 Section 10, Chapter 17, Acts of the 56th

1 Legislature, 1st Called Session, 1959, states that  
2 bonds are authorized by the electorate "under the  
3 provisions of Section 12 of this Act." The revised law  
4 omits the quoted language because Section 12 does not  
5 provide for authorization of bonds by the electorate.

6 Revisor's Note  
7 (End of Subchapter)

8 (1) Section 12, Chapter 17, Acts of the 56th  
9 Legislature, 1st Called Session, 1959, authorizes the  
10 district to issue bonds in "addition to" other powers  
11 the district has. The revised law omits the provision  
12 as surplus because, as a principle of statutory  
13 construction, the various provisions granting power to  
14 the district must be read cumulatively. The omitted  
15 law reads:

16 Sec. 12. In addition to all other  
17 powers granted hereunder, . . . .

18 (2) Section 13, Chapter 17, Acts of the 56th  
19 Legislature, 1st Called Session, 1959, permits the  
20 district to refund bonds. The revised law omits that  
21 language because it duplicates Chapter 1207,  
22 Government Code, which contains general authority for  
23 an issuer to issue refunding securities. That chapter  
24 applies to the district because the district is an  
25 issuer under Section 1207.001, Government Code. The  
26 omitted law reads:

27 Sec. 13. . . . Said bonds may be  
28 refunded as provided by the Law herein  
29 adopted.

30 (3) Sections 12 and 13, Chapter 17, Acts of the  
31 56th Legislature, 1st Called Session, 1959, authorize  
32 the district to issue bonds under general law for water  
33 control and improvement districts. The revised law  
34 omits those provisions because they duplicate general  
35 law. General law is sufficient on its own terms,  
36 including bond provisions in Chapters 49 and 51, Water

1 Code. The omitted law reads:

2 Sec. 12. . . . the District shall  
3 have the power to issue bonds secured by a  
4 pledge of revenues, taxes or both as  
5 provided by General Law for water control  
6 and improvement districts.

7 Sec. 13. All bonds issued by the  
8 District shall be issued in the same manner,  
9 with the same terms, upon the same  
10 conditions, and with the same  
11 considerations and provisions as provided  
12 under the General Law governing water  
13 control and improvement districts. . . .

14 Revisor's Note  
15 (End of Chapter)

16 (1) Section 6, Chapter 17, Acts of the 56th  
17 Legislature, 1st Called Session, 1959, states that it  
18 is unnecessary for the district to hold a confirmation  
19 election. The revised law therefore omits it as  
20 executed. The omitted law reads:

21 Sec. 6. [It shall not be necessary  
22 for the District to have a hearing] . . .  
23 for the confirmation of its organization.

24 (2) Section 20, Chapter 17, Acts of the 56th  
25 Legislature, 1st Called Session, 1959, provides that  
26 the act is severable. The revised law omits this  
27 provision because the same result is produced by  
28 application of Section 311.032, Government Code (Code  
29 Construction Act), which provides that a provision of  
30 a statute is severable from each other provision of the  
31 statute that can be given effect. The omitted law  
32 reads:

33 Sec. 20. If any provision of this Act  
34 or the application thereof to any person or  
35 circumstance is held invalid, such  
36 invalidity shall not affect other  
37 provisions or applications of the Act which  
38 can be given effect without the invalid  
39 provision or application, and to this end  
40 the provisions of this Act are declared to  
41 be severable.

42 CHAPTER 9033. COMMODORE COVE IMPROVEMENT DISTRICT

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1 CHAPTER 9033. COMMODORE COVE IMPROVEMENT DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 9033.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the district's board of directors.

6 (2) "Director" means a board member.

7 (3) "District" means the Commodore Cove Improvement  
8 District. (Acts 59th Leg., R.S., Ch. 598, Sec. 1 (part); New.)

9 Source Law

10 Sec. 1. . . . [a . . . district] . . . to be  
11 known as "Commodore Cove Improvement District";  
12 hereinafter called the "District," . . . .

13 Revisor's Note

14 The definitions of "board" and "director" are  
15 added to the revised law for drafting convenience and  
16 to eliminate frequent, unnecessary repetition of the  
17 substance of the definitions.

18 Revised Law

19 Sec. 9033.002. NATURE OF DISTRICT. The district is a  
20 conservation and reclamation district in Brazoria County created  
21 under Section 59, Article XVI, Texas Constitution. (Acts 59th  
22 Leg., R.S., Ch. 598, Sec. 1 (part).)

23 Source Law

24 Sec. 1. Under and pursuant to the provisions of  
25 Article 16, Section 59 of the Constitution of Texas, a  
26 conservation and reclamation district is hereby  
27 created and established in Brazoria County, Texas,  
28 . . . which shall be a governmental agency and a body  
29 politic and corporate. . . .

30 Revisor's Note

31 (1) Section 1, Chapter 598, Acts of the 59th  
32 Legislature, Regular Session, 1965, provides that the  
33 district is "created and established" in Brazoria  
34 County, Texas. The revised law omits "established"  
35 because the meaning of that word is included in the  
36 meaning of "created."

37 (2) Section 1, Chapter 598, Acts of the 59th  
38 Legislature, Regular Session, 1965, refers to the

1 district as "a governmental agency and a body politic  
2 and corporate." The revised law omits the quoted  
3 language because it duplicates a portion of Section  
4 59(b), Article XVI, Texas Constitution, which provides  
5 that a conservation and reclamation district is a  
6 governmental agency and a body politic and corporate.

7 Revised Law

8 Sec. 9033.003. FINDINGS OF PUBLIC BENEFIT AND PUBLIC  
9 PURPOSE. (a) The district is created to serve a public use and  
10 benefit.

11 (b) All land and other property included in the boundaries  
12 of the district will benefit from the works and projects  
13 accomplished by the district under the powers conferred by Section  
14 59, Article XVI, Texas Constitution.

15 (c) The creation of the district is essential to accomplish  
16 the purposes of Section 59, Article XVI, Texas Constitution.

17 (d) The accomplishment of the purposes stated in this  
18 chapter is for the benefit of the people of this state and for the  
19 improvement of their property and industries. The district in  
20 carrying out the purposes of this chapter will be performing an  
21 essential public function under the Texas Constitution. (Acts 59th  
22 Leg., R.S., Ch. 598, Secs. 1 (part), 4, 22 (part).)

23 Source Law

24 Sec. 1. . . . The creation and establishment of  
25 the District is hereby declared to be essential to the  
26 accomplishment of the purposes of Article 16, Section  
27 59 of the Constitution of Texas.

28 Sec. 4. It is determined and found that all of  
29 the land and other property included within the area  
30 and boundaries of the District will be benefited by the  
31 works and projects which are to be accomplished by the  
32 District pursuant to the powers conferred by the  
33 provisions of Article 16, Section 59, of the  
34 Constitution of Texas, and that said District was and  
35 is created to serve a public use and benefit.

36 Sec. 22. The accomplishment of the purposes  
37 stated in this Act being for the benefit of the people  
38 of this State and for the improvement of their  
39 properties and industries, the District in carrying  
40 out the purpose of this Act will be performing an  
41 essential public function under the Constitution,  
42 and . . . .

1 Revisor's Note

2 (1) Section 1, Chapter 598, Acts of the 59th  
3 Legislature, Regular Session, 1965, states that the  
4 "creation and establishment" of the district are  
5 essential to accomplish the purposes of Section 59,  
6 Article XVI, Texas Constitution. The revised law omits  
7 "establishment" because its meaning is included in the  
8 meaning of "creation."

9 (2) Section 4, Chapter 598, Acts of the 59th  
10 Legislature, Regular Session, 1965, refers to land and  
11 other property included "within the area and  
12 boundaries of the District." The revised law omits the  
13 reference to "area" because property included in the  
14 "area . . . of the District" is synonymous with  
15 property included in the "boundaries of the District."

16 Revised Law

17 Sec. 9033.004. DISTRICT TERRITORY. (a) The district is  
18 composed of the territory described by Section 2, Chapter 598, Acts  
19 of the 59th Legislature, Regular Session, 1965, as that territory  
20 may have been modified under:

21 (1) Subchapter O, Chapter 51, Water Code;

22 (2) Subchapter J, Chapter 49, Water Code;

23 (3) Section 9033.005 of this chapter or its  
24 predecessor statute, former Section 16, Chapter 598, Acts of the  
25 59th Legislature, Regular Session, 1965; or

26 (4) other law.

27 (b) The boundaries and field notes of the district form a  
28 closure. A mistake in the field notes or in copying the field notes  
29 in the legislative process does not affect:

30 (1) the district's organization, existence, or  
31 validity;

32 (2) the district's right to issue any type of bond or  
33 to pay the principal of and interest on the bond;

34 (3) the district's right to impose a tax; or

1 (4) the legality or operation of the district or the  
2 board. (Acts 59th Leg., R.S., Ch. 598, Sec. 3; New.)

3 Source Law

4 Sec. 3. It is determined and found that the  
5 boundaries and field notes of the District form a  
6 closure, and if any mistake is made in copying the  
7 field notes in the legislative process, or otherwise a  
8 mistake is made in the field notes, it shall in no way  
9 or manner affect the organization, existence and  
10 validity of the District, or the right of the District  
11 to issue any type or kind of bonds or refunding bonds,  
12 or to pay the principal and interest thereon, or the  
13 right to assess, levy and collect taxes, or the  
14 legality or operation of the District or its governing  
15 body, which shall be a Board of Directors as  
16 hereinafter provided.

17 Revisor's Note

18 (1) The revision of the law governing the  
19 district does not revise the statutory language  
20 describing the territory of the district to avoid the  
21 lengthy 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 includes a  
25 reference to the statutory description of the  
26 district's territory and references to statutory  
27 authority to change the district's territory under  
28 Subchapter O, Chapter 51, Water Code, applicable to  
29 water control and improvement districts, Subchapter J,  
30 Chapter 49, Water Code, applicable to the district  
31 under Sections 49.001 and 49.002 of that chapter, and  
32 Section 9033.005 of this chapter or Section 16,  
33 Chapter 598, Acts of the 59th Legislature, Regular  
34 Session, 1965, from which Section 9033.005 was  
35 derived. The revised law also includes a reference to  
36 the general authority of the legislature to enact  
37 other laws to change the district's territory.

38 (2) Section 3, Chapter 598, Acts of the 59th  
39 Legislature, Regular Session, 1965, provides that a  
40 mistake in the description of the district's

1 boundaries does not affect the right of the district to  
2 issue "any type or kind of bonds or refunding bonds."  
3 The revised law omits "refunding bonds" because  
4 refunding bonds are included in the meaning of "any  
5 type or kind of bonds."

6 (3) Section 3, Chapter 598, Acts of the 59th  
7 Legislature, Regular Session, 1965, refers to the  
8 district's right to "assess, levy and collect" a tax.  
9 The revised law substitutes "impose" for "assess, levy  
10 and collect" because "impose" is the term generally  
11 used in Title 1, Tax Code, and includes the assessment,  
12 levying, and collection of a tax.

#### 13 Revised Law

14 Sec. 9033.005. EXPANSION OF DISTRICT. (a) Except as  
15 otherwise provided by this section, the district may annex  
16 territory as provided by Section 49.302, Water Code.

17 (b) Territory may not be annexed to the district without the  
18 written consent of:

19 (1) all lienholders of record in Brazoria County; and

20 (2) at least a three-fourths majority of all  
21 landowners in the territory to be annexed whose land must also  
22 constitute at least three-fourths of the value of all land in the  
23 territory to be annexed, as shown by the tax rolls of the county in  
24 which the territory to be annexed is located.

25 (c) A finding by the district that the requirements of  
26 Subsection (b) have been met is:

27 (1) conclusive for all purposes; and

28 (2) not subject to judicial review. (Acts 59th Leg.,  
29 R.S., Ch. 598, Sec. 16.)

#### 30 Source Law

31 Sec. 16. Article 7880-75b, Revised Civil  
32 Statutes of Texas, as amended, shall be applicable to  
33 this District in all respects except that no territory  
34 may be annexed to this District pursuant to said  
35 Article without the written consent of all lienholders  
36 of record in Brazoria County and at least a  
37 three-fourths majority of the landowners within the  
38 territory to be annexed, such three-fourths majority

1 to be both in number of landowners and in value of land  
2 as shown by the tax rolls of the county in which is  
3 situated the territory to be annexed, and a finding by  
4 the Board of Directors of the District as to this  
5 additional requisite to annexation shall be conclusive  
6 for all purposes and shall not be judicially reviewed.

7 Revisor's Note

8 Section 16, Chapter 598, Acts of the 59th  
9 Legislature, Regular Session, 1965, refers to "Article  
10 7880-75b, Revised Civil Statutes of Texas, as  
11 amended." Article 7880-75b was codified by Chapter  
12 58, Acts of the 62nd Legislature, Regular Session,  
13 1971, as Sections 51.718-51.724, Water Code, relating  
14 to the addition of land to a water control and  
15 improvement district and certain other districts by  
16 the petition of less than all the landowners. Chapter  
17 715, Acts of the 74th Legislature, Regular Session,  
18 1995, repealed Sections 51.718-51.724, Water Code, and  
19 enacted Section 49.302, Water Code, to govern the  
20 addition of land to a water control and improvement  
21 district by the petition of less than all the  
22 landowners. The revised law is drafted accordingly.  
23 The revised law omits the reference to "as amended"  
24 throughout this chapter because under Section 311.027,  
25 Government Code (Code Construction Act), a reference  
26 to a statute applies to all reenactments, revisions,  
27 or amendments of that statute unless expressly  
28 provided otherwise.

29 Revised Law

30 Sec. 9033.006. HEARINGS FOR EXCLUSION OF LAND. (a) The  
31 board is not required to call or hold a hearing on the exclusion of  
32 land or other property from the district.

33 (b) This section may not be construed to prevent the board  
34 on its own motion from calling and holding an exclusion hearing  
35 under general law. (Acts 59th Leg., R.S., Ch. 598, Sec. 7 (part).)

36 Source Law

37 Sec. 7. It shall not be necessary for the Board  
38 of Directors to call or hold a hearing on the

1 exclusions of land or other property from the  
2 District; . . . . Nothing in this Section shall be  
3 construed to prevent the Board on its own motion from  
4 calling and holding an exclusions hearing or hearings  
5 pursuant to the provisions of the General Law.

6 Revisor's Note

7 Section 7, Chapter 598, Acts of the 59th  
8 Legislature, Regular Session, 1965, provides that the  
9 board shall hold a hearing on a petition for exclusion  
10 of land filed before the first bond election for the  
11 district is called. The revised law omits that  
12 provision as executed because the district has held a  
13 bond election. The omitted law reads:

14 Sec. 7. . . . provided, however,  
15 that the Board of Directors shall hold such  
16 hearing upon the written request of any land  
17 or other property owner within the District  
18 filed with the Secretary of the Board prior  
19 to the calling of the first bond election  
20 for the District. . . .

21 [Sections 9033.007-9033.050 reserved for expansion]

22 SUBCHAPTER B. DISTRICT ADMINISTRATION

23 Revised Law

24 Sec. 9033.051. BOARD OF DIRECTORS. (a) The board consists  
25 of five elected directors.

26 (b) To be appointed as a director, a person must:

- 27 (1) be at least 18 years of age; and  
28 (2) reside in this state.

29 (c) Such director is not required to reside in the district.

30 (d) Such director is not required to own land in the  
31 district, but before the district awards any construction  
32 contracts, each director must own land in the district subject to  
33 district taxation. (Acts 59th Leg., R.S., Ch. 598, Sec. 9 (part).)

34 Source Law

35 Sec. 9. All powers of the District shall be  
36 exercised by a Board of five (5) Directors. . . . No  
37 person shall be appointed a Director unless such  
38 person is twenty-one (21) years of age or over and a  
39 resident of the State of Texas. Such Director shall not  
40 be required to reside within the boundaries of the  
41 District. Such Director shall not be required to own  
42 land in the District prior to the awarding of  
43 construction contracts by the District, but before any  
44 such contract is awarded, each Director shall be  
45 required to own land situated within the District and

1 subject to taxation by the District. . . . Succeeding  
2 Directors shall be elected or . . . as provided for in  
3 this Act. . . .

4 Revisor's Note

5 (1) Section 9, Chapter 598, Acts of the 59th  
6 Legislature, Regular Session, 1965, provides that  
7 "[a]ll powers of the District shall be exercised by"  
8 the board. The revised law omits the quoted language  
9 because it duplicates, in substance, provisions of  
10 Sections 49.051 and 49.057, Water Code. The revised  
11 law omits law that is superseded by Chapter 49, Water  
12 Code, or that duplicates law contained in that  
13 chapter. Chapter 49, Water Code, applies to the  
14 district under Sections 49.001 and 49.002 of that  
15 chapter.

16 (2) Section 9, Chapter 598, Acts of the 59th  
17 Legislature, Regular Session, 1965, states that a  
18 person must be "twenty-one (21) years of age or over"  
19 to qualify for appointment to the board. The revised  
20 law substitutes "18" for "21" because Section 129.001,  
21 Civil Practice and Remedies Code, establishes 18 years  
22 as the age of majority in this state. Section 129.002,  
23 Civil Practice and Remedies Code, provides that a law  
24 adopted before August 27, 1973, that extends a right,  
25 privilege, or obligation to an individual on the basis  
26 of a minimum age of 19, 20, or 21 years shall be  
27 interpreted as prescribing a minimum age of 18 years.  
28 Section 9 was enacted in 1965 and has not been amended.

29 (3) Section 9, Chapter 598, Acts of the 59th  
30 Legislature, Regular Session, 1965, refers to  
31 "[s]ucceeding Directors" to distinguish the  
32 succeeding directors from the initial directors named  
33 in that section. The revised law omits "succeeding"  
34 because all provisions referring to initial directors  
35 are omitted as executed and the distinction is no  
36 longer required.

1 Revised Law

2 Sec. 9033.052. NOTICE OF DIRECTORS' ELECTION. At least 30  
3 days before the date of a directors' election, notice of the  
4 election must be published at least once in a newspaper of general  
5 circulation in Brazoria County. (Acts 59th Leg., R.S., Ch. 598,  
6 Sec. 9 (part).)

7 Source Law

8 Sec. 9. . . . Notice of elections for directors  
9 shall be by publication at least one time in a  
10 newspaper of general circulation in Brazoria County,  
11 and such publication shall be at least thirty (30) days  
12 prior to such election. . . .

13 Revised Law

14 Sec. 9033.053. DIRECTOR'S BOND. Each director shall give a  
15 bond in the amount of \$5,000 for the faithful performance of the  
16 director's duties. (Acts 59th Leg., R.S., Ch. 598, Sec. 9 (part).)

17 Source Law

18 Sec. 9. . . . Each director shall . . . give  
19 bond in the amount of Five Thousand Dollars (\$5,000)  
20 for the faithful performance of his duties, . . . .

21 Revisor's Note

22 (1) Section 9, Chapter 598, Acts of the 59th  
23 Legislature, Regular Session, 1965, provides that a  
24 director shall subscribe to the oath of office. The  
25 revised law omits that provision because Section 1,  
26 Article XVI, Texas Constitution, requires all officers  
27 in this state to take the oath (or affirmation) before  
28 assuming office. The omitted law reads:

29 Sec. 9. . . . [Each director shall  
30 subscribe to the oath of office and . . . .

31 (2) Section 9, Chapter 598, Acts of the 59th  
32 Legislature, Regular Session, 1965, requires the  
33 district to pay the cost of a director's bond. The  
34 revised law omits that provision because it  
35 duplicates, in substance, Section 49.055(c), Water  
36 Code. The omitted law reads:

37 Sec. 9. . . . [Each director shall  
38 . . . give bond] . . . the cost of which  
39 shall be paid by the District. . . .



1 When the board president is absent or fails or declines to act, the  
2 board vice president shall perform all duties and exercise all  
3 power this chapter or general law gives the president. (Acts 59th  
4 Leg., R.S., Ch. 598, Sec. 9 (part).)

5 Source Law

6 Sec. 9. . . . The vice-president shall perform  
7 all duties and exercise all power conferred by this Act  
8 or the general law upon the president when the  
9 president is absent or fails or declines to act. . . .

10 Revisor's Note  
11 (End of Subchapter)

12 (1) Section 9, Chapter 598, Acts of the 59th  
13 Legislature, Regular Session, 1965, provides that each  
14 director shall serve until the director's successor is  
15 elected or appointed and qualified. The revised law  
16 omits that provision because Section 17, Article XVI,  
17 Texas Constitution, requires an officer to continue to  
18 perform the officer's duties until a successor has  
19 qualified. The omitted law reads:

20 Sec. 9. . . . Each director shall  
21 serve for his term of office as herein  
22 provided, and thereafter until his  
23 successor shall be elected or appointed and  
24 qualified. . . .

25 (2) Section 9, Chapter 598, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides that a  
27 majority of directors constitutes a quorum. The  
28 revised law omits that provision because it duplicates  
29 Section 49.053, Water Code. The omitted law reads:

30 Sec. 9. . . . A majority of Directors  
31 shall constitute a quorum. . . .

32 (3) Section 9, Chapter 598, Acts of the 59th  
33 Legislature, Regular Session, 1965, names the initial  
34 board members, provides for filling a vacancy on that  
35 board, and provides for their terms of office. Because  
36 the initial board members' terms have expired, the  
37 revised law omits the language as executed. The  
38 omitted law reads:

39 Sec. 9. . . . Immediately after this

1 Act becomes effective, the following named  
2 persons, all of whom are twenty-one (21)  
3 years of age or over and residents of the  
4 State of Texas, shall be the Directors of  
5 the District and shall constitute the Board  
6 of Directors of the District:

7 Roger J. Seaman, Jr., Carl A. Clark, Benny  
8 Brown, Mike Conlan, and M. H. Hawthorne.

9 If any of the aforementioned persons shall  
10 fail or refuse to serve, die, become  
11 incapacitated or otherwise not be qualified  
12 to assume the duties of a Director of the  
13 District under this Act, the remaining  
14 Directors shall appoint a successor or  
15 successors. . . . The first two of the  
16 above-named Directors shall serve until the  
17 second Tuesday in January, 1966, or as  
18 herein provided; and the following three of  
19 the above-named Directors shall serve until  
20 the second Tuesday in January, 1967, or as  
21 herein provided. . . .

22 (4) Section 9, Chapter 598, Acts of the 59th  
23 Legislature, Regular Session, 1965, describes the  
24 procedure for filling a board vacancy. The revised law  
25 omits that provision because it duplicates, in  
26 substance, Section 49.105, Water Code, which  
27 establishes procedures for filling a board vacancy.  
28 The revised law also omits "appointed" from the  
29 provision on electing or appointing succeeding  
30 directors under Section 9 because the term can refer  
31 only to an appointment to fill a vacancy, which  
32 duplicates Section 49.105(a), Water Code. The omitted  
33 law reads:

34 Sec. 9. . . . [Succeeding Directors  
35 shall be elected or] appointed [as provided  
36 for in this Act.] . . . Any vacancy  
37 occurring in the Board of Directors shall be  
38 filled for the unexpired term by a majority  
39 of the remaining Directors. . . .

40 (5) Section 9, Chapter 598, Acts of the 59th  
41 Legislature, Regular Session, 1965, provides that  
42 director elections shall be held "on the second  
43 Tuesday in January" of each year. The revised law  
44 omits that provision as superseded by Section  
45 49.103(b), Water Code, enacted in 1995 and amended in  
46 2001 and 2005. That section requires board elections  
47 to be held on the uniform election date established by

1 the Election Code in May of each even-numbered year.  
2 In addition, Chapter 1318, Acts of the 82nd  
3 Legislature, Regular Session, 2011, amended Section  
4 41.0052, Election Code, to allow a political  
5 subdivision to change the date of its general election  
6 for officers to another uniform date. The omitted law  
7 reads:

8           Sec. 9. . . . An election for  
9 Directors shall be held on the second  
10 Tuesday in January of each year beginning in  
11 1966, and two Directors shall be elected in  
12 that year and in each even-numbered year  
13 thereafter, and three in each odd-numbered  
14 year thereafter. . . .

15           (6) Section 9, Chapter 598, Acts of the 59th  
16 Legislature, Regular Session, 1965, provides that the  
17 board of directors shall order annual director  
18 elections. The revised law omits the reference to  
19 annual elections as superseded by Section 49.103(b),  
20 Water Code, for the reason stated in Revisor's Note (5)  
21 at the end of this subchapter. The revised law omits  
22 the requirement that the board order the elections  
23 because it duplicates, in substance, Section 3.004,  
24 Election Code, which provides that the governing body  
25 of a political subdivision that has elective offices  
26 shall order the general election for those officers.  
27 The omitted law reads:

28           Sec. 9. . . . The annual elections  
29 shall be ordered by the Board of  
30 Directors. . . .

31           (7) Section 9, Chapter 598, Acts of the 59th  
32 Legislature, Regular Session, 1965, requires the board  
33 to elect officers and assigns certain powers and  
34 duties to the board's president. The revised law omits  
35 those provisions because they duplicate, in substance,  
36 Sections 49.054(a) and (c), Water Code. The omitted  
37 law reads:

38           Sec. 9. . . . The Board of Directors  
39 shall elect from its number a president, a

1 vice-president and a secretary of the Board  
2 of Directors and of the District, and such  
3 other officers as in the judgment of the  
4 Board are necessary. [The president] shall  
5 be the chief executive officer of the  
6 District and the presiding officer of the  
7 Board, and . . . .

8 (8) Section 9, Chapter 598, Acts of the 59th  
9 Legislature, Regular Session, 1965, requires the board  
10 to adopt a seal for the district. The revised law  
11 omits that provision because it duplicates Section  
12 49.061, Water Code. The omitted law reads:

13 Sec. 9. . . . The Board shall adopt a  
14 seal for the District.

15 [Sections 9033.057-9033.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Revised Law

18 Sec. 9033.101. WATER CONTROL AND IMPROVEMENT DISTRICT  
19 POWERS. The district has the rights, powers, privileges, and  
20 duties provided by general law applicable to a water control and  
21 improvement district created under Section 59, Article XVI, Texas  
22 Constitution, including Chapters 49 and 51, Water Code. (Acts 59th  
23 Leg., R.S., Ch. 598, Sec. 5 (part); New.)

24 Source Law

25 Sec. 5. The District shall have and exercise,  
26 and is hereby vested with, all of the rights, powers,  
27 privileges, authority and duties conferred and imposed  
28 by the General Laws of this State now in force or  
29 hereafter enacted, applicable to water control and  
30 improvement districts created under authority of  
31 Article 16, Section 59 of the Constitution; but . . . .

32 Revisor's Note

33 (1) Section 5, Chapter 598, Acts of the 59th  
34 Legislature, Regular Session, 1965, states that the  
35 district "shall have and exercise, and is hereby  
36 vested with," certain rights, powers, privileges,  
37 authority, and duties. The revised law substitutes  
38 "has" for the quoted language because, in context, the  
39 terms are synonymous and "has" is more commonly used.

40 (2) Section 5, Chapter 598, Acts of the 59th  
41 Legislature, Regular Session, 1965, refers to "rights,

1 powers, privileges, [and] authority" of the district.  
2 The revised law omits "authority" as included in the  
3 meaning of "powers."

4 (3) Section 5, Chapter 598, Acts of the 59th  
5 Legislature, Regular Session, 1965, refers to the  
6 general laws of this state "now in force or hereafter  
7 enacted." The revised law omits the quoted language as  
8 unnecessary under accepted general principles of  
9 statutory construction. The "General Laws of this  
10 State" means those laws "in force" at the time the  
11 provision was adopted. It is unnecessary to state that  
12 the district may be granted additional powers by later  
13 enacted laws because those laws apply on their own  
14 terms.

15 (4) Section 5, Chapter 598, Acts of the 59th  
16 Legislature, Regular Session, 1965, refers to the  
17 general laws "applicable to water control and  
18 improvement districts." For the reader's convenience,  
19 the revised law adds references to Chapter 51, Water  
20 Code, specifically applicable to water control and  
21 improvement districts, and to Chapter 49, Water Code,  
22 generally applicable under Sections 49.001 and 49.002  
23 of that chapter to many types of districts created  
24 under Section 59, Article XVI, Texas Constitution,  
25 including water control and improvement districts.

26 (5) Section 5, Chapter 598, Acts of the 59th  
27 Legislature, Regular Session, 1965, provides that the  
28 act prevails over general law that applies to water  
29 control and improvement districts and that is in  
30 conflict or inconsistent with the act, and that all  
31 general laws applicable to water control and  
32 improvement districts are incorporated by reference.  
33 The revised law omits the portion of the provision  
34 relating to the act prevailing over general law

1 because it duplicates, in substance, Section  
2 311.026(b), Government Code (Code Construction Act).  
3 The revised law omits the portion of the provision  
4 relating to adoption and incorporation of general laws  
5 because Section 5 of Chapter 598 (revised as this  
6 section) already provides that those laws apply to the  
7 district, and it is unnecessary to repeat that  
8 authority. The omitted law reads:

9           Sec. 5. [The District shall have and  
10 exercise, and is hereby vested with, all of  
11 the rights, powers, privileges, authority  
12 and duties conferred and imposed by the  
13 General Laws of this State now in force or  
14 hereafter enacted, applicable to water  
15 control and improvement districts created  
16 under authority of Article 16, Section 59 of  
17 the Constitution; but] to the extent that  
18 the provisions of any such General Laws may  
19 be in conflict or inconsistent with the  
20 provisions of this Act, the provisions of  
21 this Act shall prevail. All such General  
22 Laws are hereby adopted and incorporated by  
23 reference with the same effect as if  
24 incorporated in full in this Act.

25                           Revised Law

26           Sec. 9033.102. ADDITIONAL POWERS. (a) The district may:

27                   (1) purchase, construct, or otherwise acquire a  
28 waterworks system, sanitary sewer system, storm sewer system, or  
29 drainage facility or any part of those systems or facilities;

30                   (2) make any purchase, construction, improvement,  
31 extension, addition, or repair necessary to a system or facility  
32 described by Subdivision (1);

33                   (3) purchase or otherwise acquire, operate, and  
34 maintain any land, right-of-way, easement, site, equipment,  
35 building, plant, structure, or facility necessary for a system or  
36 facility described by Subdivision (1); and

37                   (4) sell water and other services.

38           (b) The district may exercise any of the rights or powers  
39 granted by this chapter inside or outside the district's  
40 boundaries, but only in Brazoria County. (Acts 59th Leg., R.S., Ch.  
41 598, Sec. 17 (part).)



1 Revised Law

2 Sec. 9033.103. LIMIT ON EMINENT DOMAIN POWER. The district  
3 may exercise the power of eminent domain only in the district.  
4 (Acts 59th Leg., R.S., Ch. 598, Sec. 12 (part).)

5 Source Law

6 Sec. 12. The power of eminent domain of the  
7 District shall be limited to the area of the  
8 District. . . .

9 Revised Law

10 Sec. 9033.104. COST OF RELOCATING OR ALTERING PROPERTY.  
11 (a) In this section, "sole expense" means the actual cost of  
12 lowering, rerouting, changing the grade of, or altering the  
13 construction of a facility described by Subsection (b) in providing  
14 comparable replacement without enhancement of the facility, after  
15 deducting from that cost the net salvage value of the old facility.

16 (b) If the district's exercise of the power of eminent  
17 domain, the power of relocation, or any other power granted by this  
18 chapter makes necessary the relocating, raising, rerouting,  
19 changing the grade, or altering of the construction of a highway,  
20 railroad, electric transmission line, telegraph or telephone  
21 property or facility, or pipeline, the necessary action shall be  
22 accomplished at the sole expense of the district. (Acts 59th Leg.,  
23 R.S., Ch. 598, Sec. 12 (part).)

24 Source Law

25 Sec. 12. . . . In the event that the District,  
26 in the exercise of the power of eminent domain or power  
27 of relocation, or any other power granted hereunder,  
28 makes necessary the relocation, raising, re-routing or  
29 changing the grade of, or altering the construction  
30 of, any highway, railroad, electric transmission line,  
31 telegraph or telephone properties and facilities, or  
32 pipeline, all such necessary relocation, raising,  
33 re-routing, changing of grade or alteration of  
34 construction shall be accomplished at the sole expense  
35 of the District. The term "sole expense" shall mean the  
36 actual cost of such lowering, re-routing, or change in  
37 grade or alteration of construction in providing  
38 comparable replacement without enhancement of such  
39 facilities, after deducting therefrom the net salvage  
40 value derived from the old facility.

41 Revised Law

42 Sec. 9033.105. NOTICE OF ELECTION. Notice of an election  
43 may be given under the hand of the board president or secretary.

1 (Acts 59th Leg., R.S., Ch. 598, Sec. 20.)

2 Source Law

3 Sec. 20. Notice of all elections may be given  
4 under the hand of either the president or the secretary  
5 of the District.

6 Revisor's Note  
7 (End of Subchapter)

8 (1) Section 9, Chapter 598, Acts of the 59th  
9 Legislature, Regular Session, 1965, requires the board  
10 to employ certain employees. The revised law omits  
11 that provision because it duplicates, in substance,  
12 part of Section 49.057, Water Code. The omitted law  
13 reads:

14 Sec. 9. . . . The Board shall appoint  
15 all necessary engineers, attorneys,  
16 auditors and other employees. . . .

17 (2) Section 21, Chapter 598, Acts of the 59th  
18 Legislature, Regular Session, 1965, provides that the  
19 board shall canvass the returns of all elections. The  
20 revised law omits that requirement because it  
21 duplicates, in substance, Section 67.002, Election  
22 Code, which requires the governing body of a political  
23 subdivision that orders an election to canvass the  
24 returns. Section 21 also provides a time frame for the  
25 canvass to take place. The revised law omits that  
26 provision as superseded by Section 67.003, Election  
27 Code (enacted by Section 1, Chapter 211, Acts of the  
28 69th Legislature, Regular Session, 1985). Chapter 67,  
29 Election Code, applies to district elections under  
30 Section 67.001. The omitted law reads:

31 Sec. 21. The returns of all elections  
32 may be canvassed by the Board of Directors  
33 of the District at any time within seven (7)  
34 days after the holding of an election, or as  
35 soon thereafter as reasonably practicable.

36 [Sections 9033.106-9033.150 reserved for expansion]

37 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

38 Revised Law

39 Sec. 9033.151. TAX METHOD. (a) The district shall use the

1 ad valorem plan of taxation.

2 (b) The board is not required to call or hold a hearing on  
3 the adoption of a plan of taxation. (Acts 59th Leg., R.S., Ch. 598,  
4 Sec. 8.)

5 Source Law

6 Sec. 8. It shall not be necessary for the Board  
7 of Directors to call or hold a hearing on the adoption  
8 of a plan of taxation, but the ad valorem plan of  
9 taxation shall be used by the District.

10 Revised Law

11 Sec. 9033.152. DEPOSITORY. (a) The board shall select one  
12 or more banks or trust companies in this state to act as a  
13 depository of bond proceeds or of revenue derived from the  
14 operation of district facilities.

15 (b) The depository shall, as determined by the board:

- 16 (1) furnish indemnity bonds;  
17 (2) pledge securities; or  
18 (3) meet any other requirements. (Acts 59th Leg.,  
19 R.S., Ch. 598, Sec. 15.)

20 Source Law

21 Sec. 15. The Board of Directors of the District  
22 shall select any bank or trust company in the State of  
23 Texas to act as depository of the proceeds of the bonds  
24 or revenues derived from the operation of the  
25 facilities of the District, and said depository shall  
26 furnish such indemnity bonds or pledge such securities  
27 or meet such other requirements as determined by the  
28 Board of Directors of the District. The District may  
29 select one or more depositories.

30 Revised Law

31 Sec. 9033.153. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

32 The district is not required to pay a tax or assessment on:

- 33 (1) a district project or any part of the project; or  
34 (2) a district purchase. (Acts 59th Leg., R.S., Ch.  
35 598, Sec. 22 (part).)

36 Source Law

37 Sec. 22. . . . the District shall not be  
38 required to pay any tax or assessment on the project or  
39 any part thereof or on any purchases made by the  
40 District, and . . . .

41 [Sections 9033.154-9033.200 reserved for expansion]

1 SUBCHAPTER E. BONDS

2 Revised Law

3 Sec. 9033.201. AUTHORITY TO ISSUE BONDS. The district may  
4 issue bonds of any kind to carry out any purpose authorized by this  
5 chapter. (Acts 59th Leg., R.S., Ch. 598, Sec. 17 (part).)

6 Source Law

7 Sec. 17. . . . In addition to the powers and  
8 purposes authorized by the General Law pertaining to  
9 water control and improvement districts, the District  
10 may issue any kind of bonds or refunding bonds for any  
11 or all of such purposes herein provided and . . . .

12 Revisor's Note

13 (1) Section 17, Chapter 598, Acts of the 59th  
14 Legislature, Regular Session, 1965, provides that  
15 "[i]n addition to the powers and purposes authorized  
16 by the General Law pertaining to water control and  
17 improvement districts," the district may issue bonds  
18 for certain purposes. The revised law omits the quoted  
19 language as unnecessary because an accepted general  
20 principle of statutory construction requires a statute  
21 to be given cumulative effect with other statutes  
22 unless it provides otherwise or unless the statutes  
23 are in conflict. That general principle applies to the  
24 revised law.

25 (2) Section 17, Chapter 598, Acts of the 59th  
26 Legislature, Regular Session, 1965, authorizes the  
27 district to issue "any kind of bonds or refunding  
28 bonds." The revised law omits "refunding bonds" for  
29 the reason stated in Revisor's Note (2) to Section  
30 9033.004.

31 (3) Section 17, Chapter 598, Acts of the 59th  
32 Legislature, Regular Session, 1965, provides that the  
33 district may provide for and pay for bonds issued and  
34 pay for any expense necessarily incurred for the  
35 issuance of district bonds. The revised law omits that  
36 provision because it duplicates, in substance, Section





1 board may call a subsequent bond election.

2 (c) The district continues to exist and retain its full  
3 power to function and operate regardless of the outcome of a bond  
4 election. (Acts 59th Leg., R.S., Ch. 598, Sec. 19.)

5 Source Law

6 Sec. 19. The provisions of Article 7880-77b,  
7 Revised Civil Statutes of Texas, as amended, or any  
8 other General Law, pertaining to the calling of a  
9 hearing for the determination of the dissolution of a  
10 district where a bond election has failed shall be  
11 inapplicable to this District, and this District shall  
12 continue to exist and shall have full power to function  
13 and operate regardless of the outcome of any bond  
14 election. Upon the failure of any bond election, a  
15 subsequent bond election may be called after the  
16 expiration of six (6) months from the date of the bond  
17 election which failed.

18 Revisor's Note

19 Section 19, Chapter 598, Acts of the 59th  
20 Legislature, Regular Session, 1965, provides that  
21 "[t]he provisions of Article 7880-77b, Revised Civil  
22 Statutes of Texas, as amended," do not apply to the  
23 district. Article 7880-77b was codified by Chapter  
24 58, Acts of the 62nd Legislature, Regular Session,  
25 1971, as Sections 51.781-51.792, Water Code, which  
26 address the dissolution of a district before the  
27 issuance of bonds. The revised law does not refer to  
28 Section 51.792, Water Code, because that section was  
29 repealed by Section 85(6), Chapter 1248, Acts of the  
30 71st Legislature, Regular Session, 1989. The revised  
31 law is drafted accordingly.

32 Revised Law

33 Sec. 9033.204. BONDS EXEMPT FROM TAXATION. A bond issued  
34 under this chapter, the transfer of the bond, and income from the  
35 bond, including profits made on the sale of the bond, are exempt  
36 from taxation in this state. (Acts 59th Leg., R.S., Ch. 598, Sec.  
37 22 (part).)

38 Source Law

39 Sec. 22. . . . the bonds issued hereunder and  
40 their transfer and the income therefrom, including the  
41 profits made on the sale thereof, shall at all times be

1 free from taxation within this State.

2 Revisor's Note  
3 (End of Subchapter)

4 (1) Section 10, Chapter 598, Acts of the 59th  
5 Legislature, Regular Session, 1965, provides that,  
6 before issuing any construction bonds, the district  
7 shall submit plans to the Texas Water Commission for  
8 approval in accordance with Article 7880-139, Vernon's  
9 Texas Civil Statutes, and that the district's project  
10 is subject to inspection during construction as  
11 provided by that article. Article 7880-139 was  
12 codified by Chapter 58, Acts of the 62nd Legislature,  
13 Regular Session, 1971, as Sections 51.421 and 51.422,  
14 Water Code. Chapter 715, Acts of the 74th Legislature,  
15 Regular Session, 1995, repealed Sections 51.421 and  
16 51.422, Water Code, and enacted Sections 49.181 and  
17 49.182, Water Code, to govern the authority of the  
18 Texas Commission on Environmental Quality over the  
19 issuance of district bonds and supervision by the  
20 commission of projects and improvements,  
21 respectively. The revised law therefore omits Section  
22 10 because Sections 49.181 and 49.182, Water Code,  
23 apply to the district on their own terms. The omitted  
24 law reads:

25 Sec. 10. Before issuing any  
26 construction bonds, the District shall  
27 submit plans and specifications therefor to  
28 the Texas Water Commission for approval in  
29 the manner required by Article 7880-139,  
30 Revised Civil Statutes of Texas, as  
31 amended; and District's project and  
32 improvements during the course of  
33 construction shall be subject to inspection  
34 in the manner provided by said Article  
35 7880-139.

36 (2) Section 11, Chapter 598, Acts of the 59th  
37 Legislature, Regular Session, 1965, provides that  
38 after approval and registration district bonds are  
39 negotiable, valid, and binding obligations and  
40 incontestable for any reason. The revised law omits

1 the reference to the bonds being negotiable because  
2 Section 1201.041, Government Code, applicable to  
3 district bonds under Sections 1201.002 and 1201.003,  
4 Government Code, provides that a public security is a  
5 negotiable instrument. The revised law omits the rest  
6 of this provision because it duplicates, in substance,  
7 Section 1202.006, Government Code. Section 1202.006,  
8 Government Code, applies to district bonds under  
9 Sections 1202.001 and 1202.003, Government Code. The  
10 omitted law reads:

11           Sec. 11. When any kind of bonds or  
12           refunding bonds have been approved by the  
13           Attorney General of Texas, registered by  
14           the Comptroller of Public Accounts of the  
15           State of Texas, and issued by the District,  
16           such bonds or refunding bonds shall be  
17           negotiable, legal, valid and binding  
18           obligations of the District and shall be  
19           incontestable for any cause.

20           (3) Section 23, Chapter 598, Acts of the 59th  
21           Legislature, Regular Session, 1965, lists the entities  
22           for which district bonds are legal investments and  
23           provides that district bonds may secure deposits of  
24           public funds of the state or political subdivisions.  
25           The revised law omits the provision relating to the  
26           eligibility of district bonds to be considered as  
27           investments for various entities because it duplicates  
28           Section 49.186(a), Water Code. While Section 23 lists  
29           "guardians" and Section 49.186(a), Water Code, does  
30           not, Section 49.186(a) includes "fiduciaries," and a  
31           guardian is a fiduciary. The revised law omits the  
32           provision relating to securing deposits of other funds  
33           because the provision is impliedly repealed by Chapter  
34           2257, Government Code (enacted in 1989 as Article  
35           2529d, Vernon's Texas Civil Statutes), which governs  
36           eligible collateral for deposits of funds of other  
37           public agencies, including political subdivisions,  
38           and permits those deposits to be secured by

1 obligations issued by conservation and reclamation  
2 districts. The omitted law reads:

3           Sec. 23. All bonds and refunding  
4 bonds of the District shall be and are  
5 hereby declared to be legal, eligible and  
6 authorized investments for banks, savings  
7 and loan associations, insurance companies,  
8 fiduciaries, trustees, guardians, and for  
9 the sinking funds of cities, towns,  
10 villages, counties, school districts, or  
11 other political corporations or  
12 subdivisions of the State of Texas. Such  
13 bonds and refunding bonds shall be eligible  
14 to secure the deposit of any and all public  
15 funds of cities, towns, villages, counties,  
16 school districts, or other political  
17 corporations or subdivisions of the State  
18 of Texas; and such bonds shall be lawful and  
19 sufficient security for said deposits to  
20 the extent of their market value, when  
21 accompanied by all unmatured coupons  
22 appurtenant thereto.

23                           Revisor's Note  
24                           (End of Chapter)

25           (1) Section 6, Chapter 598, Acts of the 59th  
26 Legislature, Regular Session, 1965, provides that it  
27 is unnecessary for the board of directors to hold an  
28 election to confirm the district's creation. The  
29 revised law omits that provision as executed. The  
30 omitted law reads:

31           Sec. 6. It shall not be necessary for  
32 the Board of Directors to call or hold a  
33 confirmation election for the confirmation  
34 of the District.

35           (2) Section 13, Chapter 598, Acts of the 59th  
36 Legislature, Regular Session, 1965, provides that  
37 Article 970a, Vernon's Texas Civil Statutes (Municipal  
38 Annexation Act), does not apply to the creation of the  
39 district. The revised law omits that provision as  
40 executed. The omitted law reads:

41           Sec. 13. This District is hereby  
42 created notwithstanding any of the  
43 provisions of the Municipal Annexation Act,  
44 being Article 970a, Vernon's Texas Civil  
45 Statutes, and said Article 970a shall have  
46 no application to the creation of the  
47 District.

48           (3) Section 14, Chapter 598, Acts of the 59th  
49 Legislature, Regular Session, 1965, recites

1 legislative findings that the procedural requirements  
2 for the creation of the district under Section 59(d),  
3 Article XVI, Texas Constitution, including proper  
4 legal notice and the filing of recommendations, have  
5 been accomplished. The revised law omits that  
6 provision as executed. The omitted law reads:

7           Sec. 14. It is determined and found  
8 that a proper and legal notice of the  
9 intention to introduce this Act, setting  
10 forth the general substance of this Act, has  
11 been published at least thirty (30) days and  
12 not more than ninety (90) days prior to the  
13 introduction of this Act in the Legislature  
14 of Texas, in a newspaper having general  
15 circulation in Brazoria County, Texas; that  
16 a copy of such notice and a copy of this Act  
17 have been delivered to the Governor of Texas  
18 who has submitted such notice and Act to the  
19 Texas Water Commission, and said Texas  
20 Water Commission has filed its  
21 recommendation as to such Act with the  
22 Governor, Lieutenant Governor and Speaker  
23 of the House of Representatives of Texas  
24 within thirty (30) days from the date such  
25 notice and Act were received by the Texas  
26 Water Commission; and that all the  
27 requirements and provisions of Article 16,  
28 Section 59(d) of the Constitution of the  
29 State of Texas have been fulfilled and  
30 accomplished as therein provided.

31           (4) Section 24, Chapter 598, Acts of the 59th  
32 Legislature, Regular Session, 1965, provides that the  
33 act is severable. The revised law omits that provision  
34 because the same result is produced by application of  
35 Section 311.032, Government Code (Code Construction  
36 Act), which provides that a provision of a statute is  
37 severable from each other provision of the statute  
38 that can be given effect. The omitted law reads:

39           Sec. 24. If any word, phrase, clause,  
40 paragraph, sentence, part, portion, or  
41 provision of this Act or the application  
42 thereof to any person or circumstance shall  
43 be held to be invalid or unconstitutional,  
44 the remainder of the Act shall nevertheless  
45 be valid, and the Legislature hereby  
46 declares that this Act would have been  
47 enacted without such invalid or  
48 unconstitutional word, phrase, clause,  
49 paragraph, sentence, part, portion, or  
50 provision.

51           SECTION 1.07. Subtitle X, Title 6, Special District Local

1 Laws Code, is amended by adding Chapter 11003 to read as follows:

2 CHAPTER 11003. MATADOR WATER DISTRICT

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 11003.001. DEFINITIONS . . . . . 1490  
5 Sec. 11003.002. NATURE OF DISTRICT . . . . . 1490  
6 Sec. 11003.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE . . . 1491

7 [Sections 11003.004-11003.050 reserved for expansion]

8 SUBCHAPTER B. DISTRICT TERRITORY; ANNEXATION

9 Sec. 11003.051. DISTRICT TERRITORY . . . . . 1491  
10 Sec. 11003.052. ANNEXATION OF CITY TERRITORY . . . . . 1492  
11 Sec. 11003.053. ANNEXATION OF OTHER TERRITORY . . . . . 1494

12 [Sections 11003.054-11003.100 reserved for expansion]

13 SUBCHAPTER C. BOARD OF DIRECTORS

14 Sec. 11003.101. COMPOSITION OF BOARD; TERMS . . . . . 1500  
15 Sec. 11003.102. QUALIFICATIONS FOR OFFICE . . . . . 1502  
16 Sec. 11003.103. VACANCIES . . . . . 1502  
17 Sec. 11003.104. REMOVAL FROM OFFICE . . . . . 1503  
18 Sec. 11003.105. BOARD RESOLUTIONS; QUORUM; VOTING  
19 REQUIREMENTS . . . . . 1503  
20 Sec. 11003.106. OFFICERS AND ASSISTANTS . . . . . 1504  
21 Sec. 11003.107. DUTIES OF OFFICERS AND ASSISTANTS . . . . . 1505  
22 Sec. 11003.108. MEETINGS . . . . . 1505  
23 Sec. 11003.109. PERSONAL LIABILITY OF DIRECTORS . . . . . 1506

24 [Sections 11003.110-11003.150 reserved for expansion]

25 SUBCHAPTER D. POWERS AND DUTIES

26 Sec. 11003.151. DISTRICT POWERS . . . . . 1507  
27 Sec. 11003.152. PERMITS . . . . . 1512  
28 Sec. 11003.153. GENERAL AUTHORITY OF PUBLIC AGENCIES  
29 AND POLITICAL SUBDIVISIONS TO  
30 CONTRACT WITH DISTRICT . . . . . 1512  
31 Sec. 11003.154. CONTRACTS TO SUPPLY WATER . . . . . 1513  
32 Sec. 11003.155. SOURCES FOR WATER; ACQUISITION OF  
33 LAND; STORAGE CAPACITY . . . . . 1515  
34 Sec. 11003.156. CONSTRUCTION CONTRACTS . . . . . 1516

1	Sec. 11003.157.	CONVEYANCE OF LAND TO DISTRICT . . . . .	1517
2	Sec. 11003.158.	SURPLUS PROPERTY . . . . .	1517
3	Sec. 11003.159.	EMINENT DOMAIN . . . . .	1518
4	Sec. 11003.160.	COST OF RELOCATING OR ALTERING	
5		PROPERTY; RIGHTS-OF-WAY AND	
6		EASEMENTS . . . . .	1519
7	Sec. 11003.161.	OTHER DISTRICT POWERS . . . . .	1520
8		[Sections 11003.162-11003.200 reserved for expansion]	
9		SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS	
10	Sec. 11003.201.	IMPOSITION OF MAINTENANCE TAX . . . . .	1522
11	Sec. 11003.202.	DEPOSITORY . . . . .	1523
12	Sec. 11003.203.	INVESTMENT OF DISTRICT MONEY . . . . .	1524
13	Sec. 11003.204.	DISTRICT FACILITIES EXEMPT FROM	
14		TAXATION AND ASSESSMENT . . . . .	1525
15		[Sections 11003.205-11003.250 reserved for expansion]	
16		SUBCHAPTER F. BONDS	
17	Sec. 11003.251.	AUTHORITY TO ISSUE BONDS . . . . .	1527
18	Sec. 11003.252.	FORM OF BONDS . . . . .	1528
19	Sec. 11003.253.	MATURITY . . . . .	1529
20	Sec. 11003.254.	ELECTION FOR BONDS PAYABLE FROM AD	
21		VALOREM TAXES . . . . .	1530
22	Sec. 11003.255.	BONDS SECURED BY REVENUE; ADDITIONAL	
23		BONDS . . . . .	1531
24	Sec. 11003.256.	BONDS PAYABLE FROM AD VALOREM TAXES . . . . .	1532
25	Sec. 11003.257.	ADDITIONAL SECURITY . . . . .	1533
26	Sec. 11003.258.	TRUST INDENTURE . . . . .	1534
27	Sec. 11003.259.	CHARGES FOR DISTRICT SERVICES . . . . .	1535
28	Sec. 11003.260.	USE OF BOND PROCEEDS . . . . .	1536
29	Sec. 11003.261.	APPOINTMENT OF RECEIVER . . . . .	1537
30	Sec. 11003.262.	REFUNDING BONDS . . . . .	1538
31	Sec. 11003.263.	LIMITATION ON RIGHTS OF BONDHOLDERS . . . . .	1539
32	Sec. 11003.264.	BONDS EXEMPT FROM TAXATION . . . . .	1540
33	Sec. 11003.265.	DETACHMENT OF DISTRICT TERRITORY AFTER	
34		ISSUANCE OF BONDS . . . . .	1540

1 CHAPTER 11003. MATADOR WATER DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Revised Law

4 Sec. 11003.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the board of directors of the  
6 district.

7 (2) "City" means the city of Matador.

8 (3) "City council" means the city council of the city.

9 (4) "Director" means a member of the board appointed  
10 by the city council.

11 (5) "District" means the Matador Water District.  
12 (Acts 64th Leg., R.S., Ch. 36, Secs. 1 (part), 2 (part), 3(a)  
13 (part); New.)

14 Source Law

15 Sec. 1. . . . the "Matador Water District,"  
16 hereinafter called "district," . . . .

17 Sec. 2. . . . the city of Matador, in Motley  
18 County, State of Texas, hereinafter called the "city,"  
19 . . . .

20 Sec. 3. (a) [The district shall be governed by  
21 a board of directors,] hereinafter called the "board,"  
22 [composed of five members,] entitled directors, . . .  
23 the regular directors shall be appointed by the city  
24 council of the city of Matador. . . .

25 Revisor's Note

26 The definition of "city council" is added to the  
27 revised law for drafting convenience and to eliminate  
28 frequent, unnecessary repetition of the substance of  
29 the definition.

30 Revised Law

31 Sec. 11003.002. NATURE OF DISTRICT. The district is a  
32 conservation and reclamation district created under Section 59,  
33 Article XVI, Texas Constitution. (Acts 64th Leg., R.S., Ch. 36,  
34 Sec. 1 (part).)

35 Source Law

36 Sec. 1. By virtue of Article XVI, Section 59, of  
37 the Texas Constitution, there is hereby created a  
38 conservation and reclamation district to be known as  
39 the "Matador Water District," . . . which shall be a  
40 governmental agency and a body politic and corporate.

1 Revisor's Note

2 Section 1, Chapter 36, Acts of the 64th  
3 Legislature, Regular Session, 1975, refers to the  
4 district as "a governmental agency and a body politic  
5 and corporate." The revised law omits the references  
6 to "governmental agency" and "body politic and  
7 corporate" because they duplicate a portion of Section  
8 59(b), Article XVI, Texas Constitution, which provides  
9 that a conservation and reclamation district is a  
10 governmental agency and a body politic and corporate.

11 Revised Law

12 Sec. 11003.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

13 (a) All territory and taxable property in the city will benefit  
14 from the works and improvements of the district.

15 (b) The accomplishment of the purposes stated in this  
16 chapter is for the benefit of the people of this state and for the  
17 improvement of their property and industries. The district, in  
18 carrying out the purposes of this chapter, will be performing an  
19 essential public function under the constitution. (Acts 64th Leg.,  
20 R.S., Ch. 36, Secs. 2 (part), 22 (part).)

21 Source Law

22 Sec. 2. [The district shall contain all of the  
23 territory contained in the boundaries of the city of  
24 Matador] . . . it being hereby found and determined  
25 that all of the territory and taxable property  
26 contained within the boundaries of said city will be  
27 benefited by the works and improvements of the  
28 district.

29 Sec. 22. The accomplishment of the purposes  
30 stated in this Act is for the benefit of the people of  
31 this state and for the improvement of their properties  
32 and industries, and the district in carrying out the  
33 purposes of this Act will be performing an essential  
34 public function under the constitution. . . .

35 [Sections 11003.004-11003.050 reserved for expansion]

36 SUBCHAPTER B. DISTRICT TERRITORY; ANNEXATION

37 Revised Law

38 Sec. 11003.051. DISTRICT TERRITORY. (a) The boundaries of  
39 the district are coextensive with the boundaries of the city as  
40 those boundaries existed on January 1, 1975, and as the district

1 territory may have been modified under:

2 (1) this subchapter or its predecessor statutes,  
3 Sections 6 and 7, Chapter 36, Acts of the 64th Legislature, Regular  
4 Session, 1975;

5 (2) Subchapter J, Chapter 49, Water Code; or

6 (3) other law.

7 (b) An invalidity in the fixing of the boundaries of the  
8 city as they existed on January 1, 1975, does not affect the  
9 boundaries of the district. (Acts 64th Leg., R.S., Ch. 36, Sec. 2  
10 (part); New.)

11 Source Law

12 Sec. 2. The district shall contain all of the  
13 territory contained in the boundaries of the city of  
14 Matador, in Motley County, State of Texas, . . . as the  
15 boundaries of the city existed on January 1, 1975. It  
16 is provided, however, that no invalidity in the fixing  
17 of such boundaries shall affect the boundaries of the  
18 territory contained in this district, . . . .

19 Revisor's Note

20 For the reader's convenience, the revised law  
21 includes references to statutory authority to change  
22 the district's territory under this chapter and  
23 Subchapter J, Chapter 49, Water Code, applicable to  
24 the district under Sections 49.001 and 49.002 of that  
25 chapter. The revised law also includes a reference to  
26 the general authority of the legislature to enact  
27 other laws to change the district's territory.

28 Revised Law

29 Sec. 11003.052. ANNEXATION OF CITY TERRITORY. (a)  
30 Territory annexed to the city after January 1, 1975, may be annexed  
31 to the district as provided by this section.

32 (b) At any time after final passage of an ordinance or  
33 resolution annexing territory to the city, the board may give  
34 notice of a hearing on the question of annexing that territory to  
35 the district. The notice is sufficient if it:

36 (1) states the date and place of the hearing; and

37 (2) describes the area proposed to be annexed or

1 refers to the annexation ordinance or resolution of the city.

2 (c) At least 10 days before the date set for the hearing, the  
3 notice must be published one time in a newspaper of general  
4 circulation in the city.

5 (d) If, as a result of the hearing, the board finds that the  
6 territory will benefit from the present or contemplated  
7 improvements, works, or facilities of the district, the board shall  
8 adopt a resolution annexing the territory to the district.

9 (e) After the territory is annexed to the district, the  
10 board may hold an election in the entire district to determine  
11 whether:

12 (1) the entire district will assume any tax-supported  
13 bonds then outstanding and those bonds previously voted but not yet  
14 sold; and

15 (2) an ad valorem tax for the payment of the bonds will  
16 be imposed on all taxable property in the district.

17 (f) An election held under Subsection (e) must be held and  
18 notice must be given in the same manner as an election held under  
19 Section 11003.254 for the issuance of bonds. (Acts 64th Leg., R.S.,  
20 Ch. 36, Sec. 6.)

21 Source Law

22 Sec. 6. (a) Territory annexed after January 1,  
23 1975, to the city may be annexed to the district in the  
24 manner provided in this section.

25 (b) At any time after final passage of an  
26 ordinance or resolution annexing territory to the  
27 city, the board may issue a notice of hearing on the  
28 question of annexing the territory to the district.  
29 Such notice shall be sufficient if it states the date  
30 and place of the hearing and a description of the area  
31 proposed to be annexed, but in lieu of a description  
32 the notice may make reference to the annexation  
33 ordinance or resolution of the city.

34 (c) The notice shall be published one time in a  
35 newspaper having general circulation in the city at  
36 least 10 days before the date set for the hearing.

37 (d) If, pursuant to the hearing, the board finds  
38 that the territory proposed to be annexed will be  
39 benefited by the then present or contemplated  
40 improvements, works, or facilities of the district,  
41 the board shall adopt a resolution annexing the  
42 territory to the district.

43 (e) After the territory is added to the  
44 district, the board may call an election over the  
45 entire district for the purpose of determining whether  
46 the entire district as enlarged shall assume any  
47 tax-supported bonds then outstanding and those

1 theretofore voted but not yet sold and whether an ad  
2 valorem tax shall be levied upon all taxable property  
3 within the district as enlarged for the payment  
4 thereof. Such election shall be called and held and  
5 notice thereof given in the same manner as elections  
6 for the issuance of bonds as provided in this Act.

7 Revisor's Note

8 (1) Section 6(e), Chapter 36, Acts of the 64th  
9 Legislature, Regular Session, 1975, provides that  
10 after territory has been annexed, the board may "call"  
11 an election that is "called and held" in the same  
12 manner as a bond election. The revised law omits  
13 "call" and "called" because, in this context, "call"  
14 or "called" is included in the meaning of holding an  
15 election. Under Chapter 3, Election Code, all  
16 elections must be ordered (called) before they may be  
17 held.

18 (2) Section 6(e), Chapter 36, Acts of the 64th  
19 Legislature, Regular Session, 1975, requires that an  
20 election on the assumption of bonds by the district as  
21 enlarged and the imposition of an ad valorem tax to pay  
22 the bonds be called and held and notice be given "in  
23 the same manner as elections for the issuance of bonds  
24 as provided in this Act." For the reader's  
25 convenience, the revised law adds a reference to  
26 Section 11003.254 of this chapter, because that is  
27 where the provisions of the act providing for bond  
28 elections are revised.

29 Revised Law

30 Sec. 11003.053. ANNEXATION OF OTHER TERRITORY. (a)  
31 Territory other than territory subject to Section 11003.052 may be  
32 annexed to the district as provided by this section.

33 (b) The board may annex territory or a municipality under  
34 this section only if a petition requesting annexation is signed by  
35 50 registered voters of the territory or municipality to be  
36 annexed, or a majority of the registered voters of that territory or  
37 municipality, whichever is fewer, and is filed with the board. The

1 petition must describe the territory to be annexed by metes and  
2 bounds, or otherwise, except that if the territory is the same as  
3 that contained in the boundaries of a municipality, the petition is  
4 sufficient if it states that the territory to be annexed is the  
5 territory contained in the municipal boundaries.

6 (c) If the board determines that the petition complies with  
7 Subsection (b), that the annexation would be in the best interest of  
8 the territory or municipality and the district, and that the  
9 district will be able to supply water to the territory or  
10 municipality, the board shall:

11 (1) adopt a resolution stating the conditions, if any,  
12 under which the territory or municipality may be annexed to the  
13 district; and

14 (2) set a time and place to hold a hearing on the  
15 question of whether the territory or municipality to be annexed  
16 will benefit from:

17 (A) the improvements, works, or facilities owned  
18 or operated or contemplated to be owned or operated by the district;  
19 or

20 (B) the other functions of the district.

21 (d) At least 10 days before the date of the hearing, notice  
22 of the adoption of the resolution stating the time and place of the  
23 hearing must be published one time in a newspaper of general  
24 circulation in the territory or municipality proposed to be  
25 annexed. The notice must describe the territory in the same manner  
26 in which Subsection (b) requires the petition to describe the  
27 territory.

28 (e) Any interested person may appear at the hearing and  
29 offer evidence for or against the annexation.

30 (f) The hearing may proceed in the order and under the rules  
31 prescribed by the board and may be recessed from time to time.

32 (g) If, at the conclusion of the hearing, the board finds  
33 that the property in the territory or municipality will benefit  
34 from the present or contemplated improvements, works, or facilities

1 of the district, the board shall adopt a resolution making a finding  
2 of the benefit and calling an election in the territory or  
3 municipality to be annexed.

4 (h) The resolution must state:

5 (1) the date of the election;

6 (2) each place where the election will be held; and

7 (3) the proposition to be voted on.

8 (i) At least 10 days before the date set for the election,  
9 notice of the election must be given by publishing a substantial  
10 copy of the resolution calling the election one time in a newspaper  
11 of general circulation in the territory proposed to be annexed.

12 (j) In calling an election on the proposition for annexation  
13 of the territory or municipality, the board may include, as part of  
14 the same proposition or as a separate proposition, a proposition  
15 for:

16 (1) the territory to assume its part of the  
17 tax-supported bonds of the district then outstanding and those  
18 bonds previously voted but not yet sold; and

19 (2) an ad valorem tax to be imposed on taxable property  
20 in the territory along with the tax in the rest of the district for  
21 the payment of the bonds.

22 (k) If a majority of the votes cast at the election are in  
23 favor of annexation, the board by resolution shall annex the  
24 territory to the district.

25 (l) An annexation under this section is incontestable  
26 except in the manner and within the time for contesting elections  
27 under the Election Code. (Acts 64th Leg., R.S., Ch. 36, Secs. 7(a),  
28 (b), (c) (part), (d) (part), (e) (part).)

29 Source Law

30 Sec. 7. (a) Other territory may be annexed to  
31 the district in the manner provided in this section.

32 (b) A petition praying for such annexation  
33 signed by 50 or a majority, whichever number is  
34 smaller, of the resident, qualified voters of the  
35 territory or of duly incorporated cities or towns,  
36 sought to be annexed shall be filed with the board.  
37 The petition shall describe the territory to be  
38 annexed by metes and bounds, or otherwise, unless the  
39 territory is the same as that contained within the

1 boundaries of the city or town, in which event it shall  
2 be sufficient to state that the territory to be annexed  
3 is that which is contained within the boundaries of the  
4 city or town.

5 (c) If the board finds that the petition  
6 complies with, and is signed by the number of qualified  
7 persons required by the foregoing subsection, that the  
8 annexation would be to the best interest of the  
9 territory, city, or town, and the district, and that  
10 the district will be able to supply water, or cause  
11 water to be supplied to the territory, city, or town,  
12 it shall adopt a resolution stating the conditions, if  
13 any, under which the territory, city, or town, may be  
14 annexed to the district, and shall fix a time and place  
15 when and where a hearing shall be held by the board on  
16 the question of whether the territory, city, or town  
17 sought to be annexed will be benefited by the  
18 improvements, works, and facilities then owned or  
19 operated or contemplated to be owned or operated by the  
20 district or by the other functions of the district.  
21 Notice of the adoption of the resolution stating the  
22 time and place of the hearing shall be published one  
23 time in a newspaper of general circulation in the  
24 territory, city, or town sought to be annexed at least  
25 10 days prior to the date of such hearing. The notice  
26 shall describe the territory in the same manner in  
27 which it is required or permitted by this Act to be  
28 described in the petition. All persons interested may  
29 appear at the hearing and offer evidence for or against  
30 the proposed annexation. The hearing may proceed in  
31 such order and under such rules as may be prescribed by  
32 the board, and the hearing may be recessed from time to  
33 time. If, at the conclusion of the hearing, the board  
34 finds that the property in such territory, city, or  
35 town will be benefited by the present or contemplated  
36 improvements, works, or facilities of the district,  
37 the board shall adopt a resolution making a finding of  
38 such benefit and calling an election in the territory,  
39 city, or town proposed to be annexed stating therein  
40 the date of the election, the place or places of  
41 holding the same, the proposition to be voted on and  
42 . . . .

43 (d) Notice of the election shall be given by  
44 publishing a substantial copy of the resolution  
45 calling the election one time in a newspaper of general  
46 circulation in the territory sought to be annexed to  
47 the district at least 10 days before the date set for  
48 the election. . . . If . . . a majority of the votes  
49 cast are in favor of annexation the board shall by  
50 resolution annex the territory to the district, and  
51 the annexation shall thereafter be incontestable  
52 except in the manner and within the time for contesting  
53 elections under the Texas Election Code, as amended.

54 (e) The board, in calling an election on the  
55 proposition for annexation of territory, city, or town  
56 may include as a part of the same proposition, or a  
57 separate proposition for the assumption of its part of  
58 the tax-supported bonds of the district then  
59 outstanding and those theretofore voted but not yet  
60 sold, and for the levy of an ad valorem tax on taxable  
61 property in the territory along with the tax in the  
62 rest of the district for the payment thereof, . . . .

63 Revisor's Note

64 (1) Section 7(b), Chapter 36, Acts of the 64th  
65 Legislature, Regular Session, 1975, refers to

1 "resident, qualified voters" of the territory or  
2 municipality proposed to be annexed. The revised law  
3 substitutes "registered voters" for the quoted  
4 language because in the context of eligibility to sign  
5 a petition, Section 277.0021, Election Code, provides  
6 that "qualified voter" means a "registered voter."

7 (2) Section 7, Chapter 36, Acts of the 64th  
8 Legislature, Regular Session, 1975, refers to a "city"  
9 or "town" and to "duly incorporated cities or towns."  
10 The revised law substitutes "municipality" for "city"  
11 or "town" because the terms are synonymous and  
12 "municipality" is the term used in the Local  
13 Government Code. The revised law omits "duly  
14 incorporated" because, under the Local Government  
15 Code, all municipalities must be incorporated.

16 (3) Section 7(c), Chapter 36, Acts of the 64th  
17 Legislature, Regular Session, 1975, refers to a  
18 finding by the board that the district will be able to  
19 "supply water, or cause water to be supplied." The  
20 revised law omits the reference to "cause water to be  
21 supplied" because it is included in the meaning of  
22 "supply water."

23 (4) Section 7(c), Chapter 36, Acts of the 64th  
24 Legislature, Regular Session, 1975, provides that the  
25 board shall "fix a time and place" for a hearing on the  
26 question of annexation. The revised law substitutes  
27 "set" for "fix" because the terms are synonymous in  
28 this context and "set" is more commonly used.

29 (5) Section 7(c), Chapter 36, Acts of the 64th  
30 Legislature, Regular Session, 1975, requires notice by  
31 publication to describe the territory to be annexed in  
32 the same manner in which it is "required or permitted  
33 by this Act" to be described in the petition. The  
34 requirements for describing the territory in the

1 petition are revised in Subsection (b) of this  
2 section. The revised law is drafted accordingly.

3 (6) Section 7(c), Chapter 36, Acts of the 64th  
4 Legislature, Regular Session, 1975, requires the board  
5 to adopt a resolution regarding the appointment of  
6 judges and clerks for each voting place. The revised  
7 law omits the provision as superseded by the 1985  
8 enactment of the Election Code, applicable to the  
9 district under Section 1.002, Election Code. Chapter  
10 32, Election Code, governs the selection of election  
11 judges and clerks. The omitted law reads:

12 (c) . . . [the board shall adopt a  
13 resolution] . . . appointing a presiding  
14 judge for each voting place, who shall  
15 appoint the necessary assistant judges and  
16 clerks to assist in holding the election.

17 (7) Section 7(d), Chapter 36, Acts of the 64th  
18 Legislature, Regular Session, 1975, restricts certain  
19 voting to "constitutionally qualified electors who  
20 reside in the territory, city, or town sought to be  
21 annexed." Similarly, Section 7(e) of that chapter  
22 restricts certain voting to "constitutionally  
23 qualified electors." Throughout this chapter, the  
24 revised law omits such provisions as unnecessary  
25 because Chapter 11, Election Code, governs eligibility  
26 to vote in an election in this state and allows only  
27 "qualified voters" who are residents of the territory  
28 covered by the election to vote in an election. In  
29 addition, as a general principle of law, the Election  
30 Code is required to contain only provisions that are  
31 consistent with the constitution. The omitted law  
32 reads:

33 (d) . . . Only constitutionally  
34 qualified electors who reside in the  
35 territory, city, or town sought to be  
36 annexed shall be qualified to vote in the  
37 election. . . .

38 (e) . . . in which event the voting  
39 shall be restricted to constitutionally  
40 qualified electors.

1           (8) Section 7(d), Chapter 36, Acts of the 64th  
2           Legislature, Regular Session, 1975, states that the  
3           board shall receive and canvass the election returns  
4           and adopt an order declaring the results. The revised  
5           law omits this provision as superseded by the 1985  
6           enactment of the Election Code, applicable to the  
7           district under Section 1.002, Election Code. Chapter  
8           67, Election Code, provides for the canvass of  
9           elections. The omitted law reads:

10                       (d) . . . Returns of the result of  
11                       the election shall be made to the board.  
12                       The board shall canvass the returns of the  
13                       election and adopt an order declaring the  
14                       results thereof. [If] such order shows that  
15                       . . . .

16           (9) Section 7(d), Chapter 36, Acts of the 64th  
17           Legislature, Regular Session, 1975, refers to "the  
18           Texas Election Code, as amended." Throughout this  
19           chapter, the revised law omits the references to "as  
20           amended" because under Section 311.027, Government  
21           Code (Code Construction Act), a reference to a statute  
22           applies to all reenactments, revisions, or amendments  
23           of that statute unless expressly provided otherwise.

24           (10) Section 7(e), Chapter 36, Acts of the 64th  
25           Legislature, Regular Session, 1975, refers to the  
26           option of including a ballot proposition for the  
27           "levy" of an ad valorem tax on taxable property in the  
28           territory to be annexed. Throughout this chapter, the  
29           revised law substitutes "impose" for "levy" or "levy  
30           and collect" because "impose" is the term generally  
31           used in Title 1, Tax Code, and includes the assessment,  
32           levying, and collection of a tax.

33           [Sections 11003.054-11003.100 reserved for expansion]

34                               SUBCHAPTER C. BOARD OF DIRECTORS

35                                       Revised Law

36           Sec. 11003.101. COMPOSITION OF BOARD; TERMS. (a) The  
37           district is governed by a board of five directors appointed by the

1 city council. The directors occupy numbered places on the board.

2 (b) Directors serve staggered two-year terms, with the  
3 terms of the directors occupying Places 1, 2, and 3 expiring at noon  
4 on March 1 of each even-numbered year and the terms of the directors  
5 occupying Places 4 and 5 expiring at noon on March 1 of each  
6 odd-numbered year.

7 (c) The mayor of the city serves, ex officio, as an honorary  
8 member of the board. The mayor may attend all meetings and  
9 participate in all proceedings of the board except that the mayor  
10 may not vote. (Acts 64th Leg., R.S., Ch. 36, Sec. 3(a) (part).)

11 Source Law

12 Sec. 3. (a) The district shall be governed by a  
13 board of directors, [hereinafter called the "board,"]  
14 composed of five members, [entitled directors,] who  
15 shall occupy places on the board to be designated as  
16 Places 1, 2, 3, 4, and 5, respectively. . . . [Places  
17 1, 2, and 3 on the board shall expire at 12 noon on  
18 March 1, 1976, and Places 4 and 5 on the board shall  
19 expire at 12 noon on March 1, 1977. Thereafter,] the  
20 regular directors shall be appointed by the city  
21 council of the city of Matador. The mayor of the city  
22 of Matador shall, ex officio, serve as an honorary  
23 board member entitled to attend all meetings of the  
24 board and to participate in all proceedings of the  
25 board, except that he or she shall not have a vote.  
26 Each regular director appointed to succeed an initial  
27 regular director shall be appointed to hold office for  
28 a term of two years, commencing at 12 noon on March 1 of  
29 the applicable year; . . . .

30 Revisor's Note

31 Section 3(a), Chapter 36, Acts of the 64th  
32 Legislature, Regular Session, 1975, refers to the  
33 initial directors and their terms of office. The  
34 revised law omits those provisions as executed. The  
35 omitted law reads:

36 (a) . . . The initial board of  
37 directors shall be composed of the  
38 following five members:  
39 Larry Hoyle  
40 Ronald C. Christian  
41 John McCandless  
42 F. H. Welling  
43 Billy Wason  
44 who shall draw by lot, at the first  
45 organizational meeting of the board, to  
46 determine who shall occupy places on the  
47 board to be designated as Places 1, 2, 3, 4,  
48 and 5, respectively. Places 1, 2, and 3 on  
49 the board shall expire at 12 noon on March  
50 1, 1976, and Places 4 and 5 on the board

1 shall expire at 12 noon on March 1, 1977.  
2 Thereafter, . . . .

3 Revised Law

4 Sec. 11003.102. QUALIFICATIONS FOR OFFICE. (a) To be  
5 eligible to be appointed or to serve as a director, a person must be  
6 a resident, qualified voter of the district.

7 (b) A director is eligible for reappointment. (Acts 64th  
8 Leg., R.S., Ch. 36, Secs. 3(a) (part), (b).)

9 Source Law

10 (a) . . . Each director shall be eligible for  
11 reappointment. . . .

12 (b) To be eligible to be appointed or serve as a  
13 regular director, a person must be a resident,  
14 qualified elector of the State of Texas and of the  
15 district.

16 Revisor's Note

17 (1) Section 3(b), Chapter 36, Acts of the 64th  
18 Legislature, Regular Session, 1975, refers to an  
19 "elector" of the district. Throughout this chapter,  
20 the revised law substitutes "voter" for "elector"  
21 because the terms are synonymous and "voter" is the  
22 term used in the Election Code.

23 (2) Section 3(b), Chapter 36, Acts of the 64th  
24 Legislature, Regular Session, 1975, requires a  
25 director to be a qualified elector (or "voter" under  
26 the terminology of the Election Code (see Revisor's  
27 Note (1) to this section)) of the State of Texas and of  
28 the district. The revised law omits the reference to  
29 the State of Texas because a qualified voter of the  
30 district is necessarily a qualified voter of the  
31 state.

32 Revised Law

33 Sec. 11003.103. VACANCIES. Any vacancy occurring on the  
34 board shall be filled for the unexpired term by appointment by the  
35 city council. (Acts 64th Leg., R.S., Ch. 36, Sec. 3(a) (part).)

36 Source Law

37 (a) . . . Any vacancy occurring on the board  
38 through death, resignation, or otherwise shall be  
39 filled by appointment by the city council of the city

1 of Matador, to hold office until the expiration of the  
2 term for which the vacating director had been  
3 appointed.

4 Revisor's Note

5 Section 3(a), Chapter 36, Acts of the 64th  
6 Legislature, Regular Session, 1975, refers to a  
7 vacancy occurring on the board "through death,  
8 resignation, or otherwise." The revised law omits the  
9 quoted language because it describes every manner in  
10 which a vacancy may occur without limiting in any way  
11 the city council's duty to fill a vacancy.

12 Revised Law

13 Sec. 11003.104. REMOVAL FROM OFFICE. After reasonable  
14 notice and a public hearing, the board may remove a director from  
15 office for misfeasance, malfeasance, or wilful neglect of duty.  
16 Reasonable notice and a public hearing are not required if the  
17 notice and hearing are expressly waived in writing. (Acts 64th  
18 Leg., R.S., Ch. 36, Sec. 3(c).)

19 Source Law

20 (c) Any director may be removed from office by  
21 the board for misfeasance, malfeasance, or willful  
22 neglect of duty, but only after reasonable notice and  
23 public hearing, unless the notice and public hearing  
24 are expressly waived in writing.

25 Revised Law

26 Sec. 11003.105. BOARD RESOLUTIONS; QUORUM; VOTING  
27 REQUIREMENTS. (a) The district shall act through resolutions  
28 adopted by the board.

29 (b) Three directors constitute a quorum.

30 (c) Each director has a vote.

31 (d) The affirmative vote of at least three directors is  
32 necessary to adopt any resolution. (Acts 64th Leg., R.S., Ch. 36,  
33 Sec. 4(c).)

34 Source Law

35 (c) Any three regular directors appointed shall  
36 constitute a quorum, and all regular directors shall  
37 have a vote. The district shall act and proceed by and  
38 through resolutions adopted by the board, and the  
39 affirmative vote of at least three of the directors  
40 shall be necessary to adopt any resolution.



1 Revised Law

2 Sec. 11003.107. DUTIES OF OFFICERS AND ASSISTANTS. (a) The  
3 board president shall preside at board meetings and perform other  
4 duties prescribed by the board.

5 (b) The board secretary is the official custodian of the  
6 minutes, books, records, and seal of the board and shall perform  
7 other duties and functions prescribed by the board. An assistant  
8 board secretary may perform any duty or function of the board  
9 secretary.

10 (c) The board treasurer shall perform duties and functions  
11 prescribed by the board. (Acts 64th Leg., R.S., Ch. 36, Sec. 4(b)  
12 (part).)

13 Source Law

14 (b) [The board shall elect one of the directors  
15 as president of the board,] . . . who shall preside at  
16 meetings of the board, and perform such other duties as  
17 are prescribed by the board. . . . [The board shall  
18 elect a secretary of the board,] who shall be the  
19 official custodian of the minutes, books, records, and  
20 seal of the board, and who shall perform such other  
21 duties and functions as are prescribed by the board;  
22 [and shall elect a treasurer of the board,] who shall  
23 perform such duties and functions as are prescribed by  
24 the board. . . . [The board may appoint . . . an  
25 assistant secretary of the board,] who may perform any  
26 duty or function of the secretary of the board.

27 Revisor's Note

28 Section 4(b), Chapter 36, Acts of the 64th  
29 Legislature, Regular Session, 1975, provides the  
30 duties of the board vice president. The revised law  
31 omits the provision because it duplicates Section  
32 49.054(c), Water Code. The omitted law reads:

33 (b) . . . [The board shall elect  
34 another of the directors as vice-president  
35 of the board,] who shall perform the duties  
36 of the president when the president is not  
37 present or is otherwise  
38 incapacitated. . . .

39 Revised Law

40 Sec. 11003.108. MEETINGS. The board shall have regular  
41 meetings at times specified by board resolution and shall have  
42 special meetings when called by the board president or by any three  
43 directors. (Acts 64th Leg., R.S., Ch. 36, Sec. 4(e).)



1 receive any remuneration or emolument of  
2 office, but they shall be entitled to  
3 reimbursement for their actual expenses  
4 incurred in performing their duties, to the  
5 extent authorized and permitted by the  
6 board.

7 [Sections 11003.110-11003.150 reserved for expansion]

8 SUBCHAPTER D. POWERS AND DUTIES

9 Revised Law

10 Sec. 11003.151. DISTRICT POWERS. The district may exercise  
11 any power necessary or appropriate to achieve the purposes of this  
12 chapter, including the power to:

13 (1) sue and be sued, and plead and be impleaded, in its  
14 own name;

15 (2) adopt an official seal;

16 (3) adopt and enforce bylaws and rules for the conduct  
17 of its affairs;

18 (4) acquire, hold, use, and dispose of its receipts  
19 and money from any source;

20 (5) select a depository or depositories;

21 (6) acquire, own, rent, lease, accept, hold, or  
22 dispose of property, or an interest in property, including a right  
23 or easement, by purchase, exchange, gift, assignment,  
24 condemnation, sale, lease, or otherwise, in performing district  
25 duties or exercising district powers under this chapter;

26 (7) hold, manage, operate, or improve property;

27 (8) lease or rent any land, building, structure, or  
28 facility from or to any person;

29 (9) sell, assign, lease, encumber, mortgage, or  
30 otherwise dispose of property, or an interest in property, and  
31 release or relinquish a right, title, claim, lien, interest,  
32 easement, or demand, regardless of the manner in which acquired,  
33 and conduct a transaction authorized by this subdivision by public  
34 or private sale, with or without public bidding, notwithstanding  
35 any other law;

36 (10) issue bonds, provide for and secure the payment  
37 of the bonds, and provide for the rights of the holders of the bonds

1 in the manner and to the extent authorized by this chapter;

2 (11) request and accept an appropriation, grant,  
3 allocation, subsidy, guaranty, aid, service, material, or gift from  
4 any source, including the federal government, the state, a public  
5 agency, or a political subdivision;

6 (12) operate and maintain an office;

7 (13) appoint and determine the duties, tenure,  
8 qualifications, and compensation of officers, employees, agents,  
9 professional advisors, and counselors considered necessary or  
10 advisable by the board, including financial consultants,  
11 accountants, attorneys, architects, engineers, appraisers, and  
12 financing experts; and

13 (14) exercise any power granted by Chapter 30, Water  
14 Code, to districts created under Section 59, Article XVI, Texas  
15 Constitution. (Acts 64th Leg., R.S., Ch. 36, Sec. 5 (part).)

16 Source Law

17 Sec. 5. The district is hereby granted, has, and  
18 may exercise all powers necessary or appropriate to  
19 carry out, achieve, or effectuate the purposes of this  
20 Act, including, without limitation, the following  
21 powers:

22 (1) to sue and be sued, and plead and be  
23 impleaded, in its own name;

24 (2) to adopt an official seal and alter  
25 same when deemed advisable and to adopt and enforce  
26 bylaws, and rules and regulations, for the conduct of  
27 its affairs, not inconsistent with the provisions of  
28 this Act;

29 (3) to acquire, hold, use, and dispose of  
30 its revenue, income, receipts, funds, and money from  
31 every source, and to select its depository or  
32 depositories;

33 (4) to acquire, own, rent, lease, accept,  
34 hold, or dispose of any real, personal, or mixed  
35 property, or any interest therein, in performing its  
36 duties and exercising its powers under this Act, by  
37 purchase, exchange, gift, assignment, condemnation,  
38 sale, lease, or otherwise, including rights or  
39 easements, and to hold, manage, operate, or improve  
40 real, personal, or mixed property;

41 (5) to sell, assign, lease, encumber,  
42 mortgage, or otherwise dispose of any real, personal,  
43 or mixed property, or any interest therein, and  
44 release or relinquish any right, title, claim, lien,  
45 interest, easement, or demand however acquired, and to  
46 do any of the foregoing by public or private sale, with  
47 or without public bidding, notwithstanding the  
48 provisions of any other law; and to lease or rent any  
49 land, buildings, structures, or facilities from or to  
50 any person, firm, corporation, city, or other public  
51 agency or political subdivision to effectuate the  
52 purposes of this Act;

1 (6) to request and to accept any  
2 appropriations, grants, allocations, subsidies,  
3 guaranties, aid, contributions, services, labor,  
4 materials, gifts, or donations from the federal  
5 government, the state, any city, public agency,  
6 political subdivision, or any other sources;

7 (7) to operate and maintain an office, and  
8 to appoint, and determine the duties, tenure,  
9 qualifications, and compensation of such officers,  
10 employees, agents, and professional advisors, and  
11 counselors, including, without limitation, financial  
12 consultants, accountants, attorneys, architects,  
13 engineers, appraisers, and financing experts, as are  
14 deemed necessary or advisable by the board;

15 (8) to issue its bonds, to provide for and  
16 secure the payment thereof, and to provide for the  
17 rights of the holders thereof, in the manner and to the  
18 extent permitted by this Act;

19 . . . ; and

20 (10) to exercise all powers granted by  
21 Chapter 25 of the Water Code to districts created under  
22 Article XVI, Section 59, of the Texas Constitution.

23 Revisor's Note

24 (1) Section 5, Chapter 36, Acts of the 64th  
25 Legislature, Regular Session, 1975, refers to the  
26 district's power to "carry out, achieve, or  
27 effectuate" certain purposes. The revised law omits  
28 "carry out" and "effectuate" because those terms are  
29 included in the meaning of "achieve."

30 (2) Section 5, Chapter 36, Acts of the 64th  
31 Legislature, Regular Session, 1975, grants the  
32 district certain powers "including, without  
33 limitation," the enumerated powers. That section also  
34 refers to persons the district may hire "including,  
35 without limitation," certain consultants and advisors  
36 named in the section. The revised law omits "without  
37 limitation" because Section 311.005(13), Government  
38 Code (Code Construction Act), provides that  
39 "including" is a term of enlargement and not of  
40 limitation and does not create a presumption that  
41 components not expressed are excluded.

42 (3) Section 5(2), Chapter 36, Acts of the 64th  
43 Legislature, Regular Session, 1975, authorizes the  
44 district to adopt an official seal and to "alter same  
45 when deemed advisable." The revised law omits the

1 quoted language because the authority to adopt a seal  
2 includes the authority to alter it.

3 (4) Section 5(2), Chapter 36, Acts of the 64th  
4 Legislature, Regular Session, 1975, states that the  
5 district may adopt and enforce bylaws and "rules and  
6 regulations" for the conduct of its affairs "not  
7 inconsistent with the provisions of this Act." The  
8 revised law omits "regulations" because Section  
9 311.005(5), Government Code (Code Construction Act),  
10 defines "rule" to include "regulation." The revised  
11 law omits "not inconsistent with the provisions of  
12 this Act" as unnecessary because as a general  
13 principle of law, the district has the authority to  
14 take only those actions that are consistent with the  
15 law revised in this chapter.

16 (5) Section 5(3), Chapter 36, Acts of the 64th  
17 Legislature, Regular Session, 1975, refers to the  
18 district's power regarding its "revenue, income, . . .  
19 funds, and money." The revised law omits "revenue,"  
20 "income," and "funds" because the meaning of those  
21 terms is included in the meaning of "money."  
22 Throughout this chapter, the revised law substitutes  
23 "money" for "funds" (except where a specific type of  
24 fund is indicated) because, in context, the meaning is  
25 the same and "money" is the more commonly used term.

26 (6) Sections 5(4) and (5), Chapter 36, Acts of  
27 the 64th Legislature, Regular Session, 1975, refer to  
28 "real, personal, or mixed property." The revised law  
29 omits references to "real," "personal," and "mixed"  
30 property because under Section 311.005(4), Government  
31 Code (Code Construction Act), "property" includes real  
32 and personal and, by extension, mixed property.

33 (7) Section 5(5), Chapter 36, Acts of the 64th  
34 Legislature, Regular Session, 1975, refers to any

1 "person, firm, corporation, city, or other public  
2 agency or political subdivision." Throughout this  
3 chapter, the revised law substitutes "person" for the  
4 quoted language or similar language because Section  
5 311.005(2), Government Code (Code Construction Act),  
6 defines "person" to include any legal entity.

7 (8) Section 5(6), Chapter 36, Acts of the 64th  
8 Legislature, Regular Session, 1975, provides that the  
9 district may request and accept "appropriations,  
10 grants, allocations, subsidies, guaranties, aid,  
11 contributions, services, labor, materials, gifts, or  
12 donations" from any source, including "any city . . .  
13 [or] political subdivision." The revised law omits  
14 "contributions," "labor," and "donations" because the  
15 meaning of those terms is included in the meaning of  
16 "aid," "services," or "gifts." The revised law also  
17 omits the reference to "city" because "city" is  
18 included in the meaning of "political subdivision."

19 (9) Section 5(9), Chapter 36, Acts of the 64th  
20 Legislature, Regular Session, 1975, authorizes the  
21 district to fix and "revise from time to time" certain  
22 fees for those who use district facilities or services  
23 and to charge and collect those fees. The revised law  
24 omits the reference to fixing, charging, and  
25 collecting fees because it duplicates, in substance,  
26 Section 49.212, Water Code. The revised law also omits  
27 the reference to revising the fees from time to time  
28 because the power to set the fees includes the power to  
29 revise them from time to time. The omitted law reads:

30 Sec. 5. [The district is hereby  
31 granted, has, and may exercise all powers  
32 necessary or appropriate . . . :]  
33 . . .

34 (9) to fix and revise from time  
35 to time and charge and collect rates, fees,  
36 and charges for its facilities and  
37 services; and . . . .

38 (10) Section 5(10), Chapter 36, Acts of the 64th

1 Legislature, Regular Session, 1975, refers to Chapter  
2 25, Water Code. That chapter was revised in 1977 as  
3 Chapter 30, Water Code. The revised law is drafted  
4 accordingly.

5 Revised Law

6 Sec. 11003.152. PERMITS. (a) The district may obtain  
7 through appropriate proceedings an appropriation permit or a  
8 diversion permit from the Texas Commission on Environmental  
9 Quality.

10 (b) The district may acquire a water appropriation permit  
11 from a permit owner by contract or otherwise. (Acts 64th Leg., R.S.,  
12 Ch. 36, Sec. 8 (part).)

13 Source Law

14 Sec. 8. The district is empowered to obtain,  
15 through appropriate proceedings, appropriation  
16 permits and diversion permits from the Texas Water  
17 Rights Commission. The district is authorized to  
18 acquire water appropriation permits from owners of  
19 permits through contracting or otherwise. . . .

20 Revisor's Note

21 Section 8, Chapter 36, Acts of the 64th  
22 Legislature, Regular Session, 1975, refers to the  
23 "Texas Water Rights Commission." The revised law  
24 substitutes "Texas Commission on Environmental  
25 Quality" for "Texas Water Rights Commission" to  
26 reflect the current name of the agency with the  
27 relevant regulatory authority.

28 Revised Law

29 Sec. 11003.153. GENERAL AUTHORITY OF PUBLIC AGENCIES AND  
30 POLITICAL SUBDIVISIONS TO CONTRACT WITH DISTRICT. A public agency  
31 or political subdivision of this state, including the city, may  
32 enter into a contract or agreement with the district, on terms  
33 agreed to by the parties, for any purpose relating to the district's  
34 powers or functions. Approval, notice, consent, or an election is  
35 not required in connection with the contract or agreement. (Acts  
36 64th Leg., R.S., Ch. 36, Sec. 9(b) (part).)



1 district for a water supply as provided by Section 11003.153. (Acts  
2 64th Leg., R.S., Ch. 36, Secs. 9(a) (part), (b) (part), 19 (part).)

3 Source Law

4 Sec. 9. (a) . . . The district is empowered to  
5 sell water inside and outside the boundaries of the  
6 district and . . . .

7 (b) All public agencies and political  
8 subdivisions of the State of Texas, including  
9 specifically the city of Matador, are authorized to  
10 enter into contracts and agreements with the district  
11 for a water supply, or . . . . No approval, notice, or  
12 consent whatsoever, or any election, shall be required  
13 in connection with any such contract, agreement, or  
14 . . . .

15 Sec. 19. The district is authorized to enter  
16 into contracts with cities and others, including  
17 specifically the city of Matador, for supplying water  
18 to them. The district is also authorized to contract  
19 with any city, public agency, or political subdivision  
20 for the rental or leasing of, or for the operation of  
21 the water production, water supply, water filtration  
22 or purification, water supply facilities of the entity  
23 on such consideration as the district and such entity  
24 may agree. The contract may be on the terms and for the  
25 time as the parties may agree, and it may provide that  
26 it shall continue in effect until bonds specified  
27 therein and refunding bonds issued in lieu of such  
28 bonds are paid. The district is further authorized to  
29 contract with the city for the operation of the  
30 district's water facilities by the city. No election  
31 shall be required in connection with the  
32 contract. . . .

33 Revisor's Note

34 (1) Section 9(b), Chapter 36, Acts of the 64th  
35 Legislature, Regular Session, 1975, provides that a  
36 public agency or political subdivision of this state  
37 may enter into a contract or agreement with the  
38 district for a water supply and that "[n]o approval,  
39 notice, or consent whatsoever, or any election, shall  
40 be required in connection with any such contract, [or]  
41 agreement." The revised law substitutes a reference  
42 to Section 11003.153 of this chapter for the quoted  
43 language because that is where that language is  
44 revised.

45 (2) Section 19, Chapter 36, Acts of the 64th  
46 Legislature, Regular Session, 1975, states that the  
47 district may contract with a "city," public agency, or  
48 political subdivision for certain district purposes.

1 The revised law omits the reference to a "city" because  
2 "city" is included in the meaning of "political  
3 subdivision."

4 (3) Section 19, Chapter 36, Acts of the 64th  
5 Legislature, Regular Session, 1975, provides that the  
6 district may exercise the powers granted to local  
7 governments and districts by the Interlocal  
8 Cooperation Act, as amended (Article 4413(32c),  
9 Vernon's Texas Civil Statutes). That statute was  
10 codified in 1991 as Chapter 791, Government Code. The  
11 revised law omits that provision because Chapter 791  
12 applies to the district by application of Section  
13 791.003. The omitted law reads:

14 Sec. 19. . . . The district may  
15 exercise all those powers granted to "local  
16 governments" and "districts" by The  
17 Interlocal Cooperation Act, as amended  
18 (Article 4413(32c), Vernon's Texas Civil  
19 Statutes), in connection with contracts and  
20 agreements.

21 Revised Law

22 Sec. 11003.155. SOURCES FOR WATER; ACQUISITION OF LAND;  
23 STORAGE CAPACITY. (a) The district may acquire or construct,  
24 inside or outside the district, a reservoir, a well, or any work,  
25 plant, transmission line, or other facility necessary or useful to  
26 drill for, divert, impound, store, pump, treat, or transport to the  
27 city and others water for municipal, domestic, industrial, mining,  
28 oil flooding, or any other useful purpose.

29 (b) The district may develop or otherwise acquire  
30 underground sources of water.

31 (c) The district may acquire land, or an interest in land,  
32 inside or outside the district, for any work, plant, or other  
33 facility necessary or useful to drill for, divert, impound, store,  
34 pump, treat, or transport to the city and others water for  
35 municipal, domestic, industrial, mining, oil flooding, or any other  
36 useful purpose.

37 (d) The district may lease, purchase, or otherwise acquire

1 rights in and to storage and storage capacity in any reservoir  
2 constructed or to be constructed by any person or from the United  
3 States. (Acts 64th Leg., R.S., Ch. 36, Secs. 8 (part), 9(a)  
4 (part), 10 (part).)

5 Source Law

6 Sec. 8. . . . The district is hereby empowered  
7 to lease, purchase, or otherwise acquire rights in and  
8 to storage and storage capacity in any reservoir  
9 constructed or to be constructed by any person, firm,  
10 corporation, public agency, political subdivision,  
11 the state, or from the United States or any of its  
12 agencies.

13 Sec. 9. (a) . . . The district is authorized  
14 to acquire or construct inside or outside the  
15 boundaries of the district a reservoir, or reservoirs,  
16 wells, and all works, plants, transmission lines, and  
17 other facilities necessary or useful for the purpose  
18 of diverting, impounding, storing, drilling, pumping,  
19 treating, and transporting water to the city and  
20 others for municipal, domestic, industrial, mining,  
21 oil flooding, or any other useful purposes. The  
22 district . . . is further empowered and authorized to  
23 develop or otherwise acquire underground sources of  
24 water.

25 Sec. 10. The district is empowered to acquire  
26 land, or any interest therein, inside or outside the  
27 boundaries of the district for all works, plants, and  
28 other facilities necessary or useful for the purpose  
29 of diverting, impounding, storing, drilling, pumping,  
30 treating, and transporting water to the city and  
31 others for municipal, domestic, industrial, mining,  
32 oil flooding, and all other useful purposes. . . .

33 Revisor's Note

34 Section 8, Chapter 36, Acts of the 64th  
35 Legislature, Regular Session, 1975, refers to the  
36 United States "or any of its agencies." The revised  
37 law omits the quoted language because Section  
38 311.005(9), Government Code (Code Construction Act),  
39 defines the United States to include its agencies.

40 Revised Law

41 Sec. 11003.156. CONSTRUCTION CONTRACTS. (a) The district  
42 may award a construction contract that requires an expenditure of  
43 more than \$5,000 only after publication of notice to bidders once  
44 each week for two weeks in a newspaper of general circulation in the  
45 district.

46 (b) The notice is sufficient if it states:

47 (1) the time and place for opening the bids;

1 (2) the general nature of the work to be done or the  
2 material, equipment, or supplies to be purchased; and

3 (3) where the terms of bidding and copies of the plans  
4 and specifications may be obtained. (Acts 64th Leg., R.S., Ch. 36,  
5 Sec. 12.)

6 Source Law

7 Sec. 12. Any construction contract requiring an  
8 expenditure of more than \$5,000 shall be made after  
9 publication of a notice to bidders once each week for  
10 two weeks in a newspaper of general circulation in the  
11 district before awarding the contract. The notice  
12 shall be sufficient if it states the time and place  
13 when and where the bids will be opened, the general  
14 nature of the work to be done, or the material,  
15 equipment, or supplies to be purchased, and states  
16 where the terms and conditions of bidding and copies of  
17 the plans and specifications may be obtained.

18 Revised Law

19 Sec. 11003.157. CONVEYANCE OF LAND TO DISTRICT. A public  
20 agency or political subdivision of this state, including the city,  
21 may lease, sell, or otherwise convey its land or an interest in its  
22 land to the district for consideration that the parties agree is  
23 adequate. Approval, notice, consent, or an election is not  
24 required in connection with the conveyance. (Acts 64th Leg., R.S.,  
25 Ch. 36, Sec. 9(b) (part).)

26 Source Law

27 (b) All public agencies and political  
28 subdivisions of the State of Texas, including  
29 specifically the city of Matador, . . . . Also, each  
30 such entity, including specifically the city of  
31 Matador, is authorized to lease, sell, or otherwise  
32 convey any of its land or any interest therein to the  
33 district for such consideration as is agreed upon  
34 between the parties to be adequate. No approval,  
35 notice, or consent whatsoever, or any election, shall  
36 be required in connection with any such . . .  
37 conveyance.

38 Revised Law

39 Sec. 11003.158. SURPLUS PROPERTY. Subject to the terms of a  
40 resolution or deed of trust authorizing or securing bonds issued by  
41 the district, the district may sell, lease, rent, trade, or  
42 otherwise dispose of property that the board considers is not  
43 needed for a district purpose. (Acts 64th Leg., R.S., Ch. 36, Sec.  
44 10 (part).)



1 manner provided by Title 52, Revised Civil Statutes of  
2 Texas, 1925, as amended, relating to eminent domain.  
3 This district is hereby declared to be a municipal  
4 corporation within the meaning of Title 52. The amount  
5 of and character of interest in land, other property,  
6 and easements thus to be acquired shall be determined  
7 by the board. . . .

8 Revisor's Note

9 (1) Section 11(a), Chapter 36, Acts of the 64th  
10 Legislature, Regular Session, 1975, refers to any  
11 "power or authority" of the district. The revised law  
12 omits "authority" in this context because "authority"  
13 is included in the meaning of "power."

14 (2) Section 11(a), Chapter 36, Acts of the 64th  
15 Legislature, Regular Session, 1975, provides that "the  
16 district shall have the right to acquire [certain  
17 property] by condemnation." The revised law  
18 substitutes for the quoted language "the district may  
19 exercise the power of eminent domain to acquire  
20 [certain property]" because the phrases have the same  
21 meaning and the latter phrase is consistent with  
22 modern usage in laws relating to eminent domain.

23 (3) Section 11(a), Chapter 36, Acts of the 64th  
24 Legislature, Regular Session, 1975, refers to Title  
25 52, Revised Civil Statutes of Texas, 1925, as amended.  
26 That statute was codified as Chapter 21, Property  
27 Code. The revised law is drafted accordingly.

28 Revised Law

29 Sec. 11003.160. COST OF RELOCATING OR ALTERING PROPERTY;  
30 RIGHTS-OF-WAY AND EASEMENTS. (a) If the district's exercise of its  
31 eminent domain, police, or other power requires relocating,  
32 raising, lowering, rerouting, or changing the grade of or altering  
33 the construction of any railroad, electric transmission,  
34 telegraph, or telephone line, conduit, pole, property, or facility  
35 or pipeline, the action shall be accomplished at the sole expense of  
36 the district. The term "sole expense" means the actual cost of the  
37 lowering, rerouting, or change in grade or alteration of  
38 construction to provide a comparable replacement without enhancing

1 the facility, after deducting from the cost the net salvage value  
2 derived from the old facility.

3 (b) The district has all necessary or useful rights-of-way  
4 and easements along, over, under, and across all public, state,  
5 municipal, and county roads, highways, and places for any of its  
6 purposes. The district shall restore a used facility to its  
7 previous condition as nearly as possible at the sole expense of the  
8 district. (Acts 64th Leg., R.S., Ch. 36, Secs. 11(b), (c).)

9 Source Law

10 (b) The district is hereby given and granted all  
11 necessary or useful rights-of-way and/or easements  
12 along, over, under, and across all public, state,  
13 city, and county roads, highways, and places for any of  
14 its purposes, but the district shall restore any such  
15 facilities used to their previous condition as nearly  
16 as possible at the sole expense of the district.

17 (c) In the event the district, in the exercise  
18 of its power of eminent domain or police power, or any  
19 other power, requires the relocation, raising,  
20 lowering, rerouting, or change in grade or alteration  
21 in the construction of any railroad, electric  
22 transmission, telegraph, or telephone lines,  
23 conduits, poles, properties, or facilities or  
24 pipelines, all such relocation, raising, lowering,  
25 rerouting, or changes in grade or alteration of  
26 construction shall be accomplished at the sole expense  
27 of the district. The term "sole expense" shall mean  
28 the actual cost of such lowering, rerouting, or change  
29 in grade or alteration of construction in providing  
30 comparable replacement without enhancement of such  
31 facilities, after deducting therefrom the net salvage  
32 value derived from the old facility.

33 Revised Law

34 Sec. 11003.161. OTHER DISTRICT POWERS. The district has  
35 the same power as is conferred by general law on municipal utility  
36 districts or on water control and improvement districts, with  
37 reference to entering land and making surveys and attending to  
38 other business of the district. (Acts 64th Leg., R.S., Ch. 36, Sec.  
39 11(a) (part).)

40 Source Law

41 (a) . . . The district shall have the same power  
42 as is conferred by general law on municipal utility  
43 districts and/or on water control and improvement  
44 districts, with reference to entering land and making  
45 surveys and attending to other business of the  
46 district.

47 Revisor's Note

48 Section 11(a), Chapter 36, Acts of the 64th

1 Legislature, Regular Session, 1975, provides that the  
2 district "shall have" certain powers. The revised law  
3 substitutes "has" for the quoted language because, in  
4 context, the terms are synonymous and "has" is more  
5 commonly used.

6 Revisor's Note  
7 (End of Subchapter)

8 (1) Section 9(a), Chapter 36, Acts of the 64th  
9 Legislature, Regular Session, 1975, provides in part  
10 that the district may contract with any person for the  
11 purchase or sale of water and for any other district  
12 purpose. The revised law omits that provision because  
13 it duplicates, in substance, Section 49.213(b), Water  
14 Code, which authorizes the district to enter into a  
15 contract with any person for any district purpose, and  
16 part of Section 49.213(c), Water Code, which  
17 authorizes the district to enter into a contract for  
18 the purchase or sale of water. The district may  
19 enforce a contract or agreement under Section 49.066,  
20 Water Code, which states that "[a] district may sue and  
21 be sued in the courts of this state." The omitted law  
22 reads:

23 Sec. 9. (a) The district is  
24 authorized to enter into and enforce  
25 contracts and agreements for the purchase  
26 or sale of water, and for any other purpose  
27 relating to its powers, with any person,  
28 firm, corporation, public agency, political  
29 subdivision, the state, or from the United  
30 States or any of its agencies. . . .

31 (2) Section 9(c), Chapter 36, Acts of the 64th  
32 Legislature, Regular Session, 1975, provides that the  
33 rights, powers, privileges, authority, and functions  
34 granted to the district are subject to supervision by  
35 the state through the Texas Water Rights Commission,  
36 subject to "the provisions of this Act and Chapter 50,  
37 Water Code, as amended." The revised law omits the  
38 provision as unnecessary. As explained by the

1 revisor's note to Section 11003.152, the Texas  
2 Commission on Environmental Quality is the successor  
3 agency to the former Texas Water Rights Commission,  
4 and therefore the provision duplicates, in substance,  
5 part of Section 12.081, Water Code, which applies to  
6 the district by its own terms. The reference to  
7 Chapter 50, Water Code, is omitted because most of  
8 Chapter 50 was repealed by Chapter 715, Acts of the  
9 74th Legislature, Regular Session, 1995, and  
10 supervision of the district under that chapter is  
11 provided only under Section 50.107, which, to the  
12 extent it may have effect, applies by its own terms.  
13 The omitted law reads:

14 (c) The rights, powers, privileges,  
15 authority, and functions herein granted to  
16 the district shall be subject to the  
17 continuing right of supervision of the  
18 state, to be exercised by and through the  
19 Texas Water Rights Commission, subject to  
20 the provisions of this Act and Chapter 50,  
21 Water Code, as amended.

22 [Sections 11003.162-11003.200 reserved for expansion]

23 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

24 Revised Law

25 Sec. 11003.201. IMPOSITION OF MAINTENANCE TAX. (a) The  
26 district may impose a tax, not to exceed 25 cents on each \$100  
27 valuation of taxable property in the district, for:

28 (1) maintenance purposes, including money for  
29 planning, maintaining, repairing, and operating all necessary  
30 plants, works, facilities, improvements, appliances, and equipment  
31 of the district;

32 (2) paying costs of proper services, engineering, and  
33 legal fees; and

34 (3) organization and administrative expenses.

35 (b) The district may not impose a maintenance tax unless the  
36 tax is approved by a majority of the voters voting at an election  
37 held for that purpose.

38 (c) A maintenance tax election may be held at the same time

1 and in conjunction with a bond election.

2 (d) The procedure for calling, giving notice of, and  
3 conducting a maintenance tax election is the same as the procedure  
4 for a bond election. (Acts 64th Leg., R.S., Ch. 36, Sec. 13.)

5 Source Law

6 Sec. 13. (a) The district may levy and collect  
7 a tax, not to exceed 25 cents on the \$100 valuation of  
8 taxable property in the district, for maintenance  
9 purposes, including funds for planning, maintaining,  
10 repairing, and operating all necessary plants, works,  
11 facilities, improvements, appliances, and equipment  
12 of the district and for paying costs of proper  
13 services, engineering, and legal fees, and  
14 organization and administrative expenses.

15 (b) A maintenance tax may not be levied until it  
16 is approved by a majority of the electorate voting at  
17 an election held for that purpose.

18 (c) A maintenance tax election may be held at  
19 the same time and in conjunction with the election to  
20 authorize bonds.

21 (d) The procedure for calling a maintenance tax  
22 election, giving notice, conducting the election, and  
23 canvassing the returns, shall be the same as the  
24 procedures for a bond election.

25 Revisor's Note

26 (1) Section 13(b), Chapter 36, Acts of the 64th  
27 Legislature, Regular Session, 1975, refers to a  
28 majority of the "electorate" voting at an election.  
29 The revised law substitutes "voters" for "electorate"  
30 because the former is the term used in the Election  
31 Code.

32 (2) Section 13(d), Chapter 36, Acts of the 64th  
33 Legislature, Regular Session, 1975, provides that  
34 certain procedures related to maintenance tax  
35 elections, including the procedure for canvassing  
36 election returns, are the same as the procedures for a  
37 bond election. The revised law omits the reference to  
38 "canvassing the returns" for the reason stated in  
39 Revisor's Note (8) to Section 11003.053.

40 Revised Law

41 Sec. 11003.202. DEPOSITORY. (a) The board shall designate  
42 one or more banks inside or outside the district to serve as the  
43 depository for the district's money.

1 (b) District money shall be deposited in the depository  
2 designated by the board, except that:

3 (1) bond proceeds and money pledged to pay bonds, to  
4 the extent provided in a resolution or trust indenture authorizing  
5 or securing district bonds, may be deposited with another bank or  
6 trustee named in the bond resolution or trust indenture; and

7 (2) money shall be remitted to each paying agent for  
8 the payment of principal of and interest on the bonds.

9 (c) To the extent that money in a depository bank or trustee  
10 bank is not insured by the Federal Deposit Insurance Corporation,  
11 the money must be secured in the manner provided by law for the  
12 security of municipal money. (Acts 64th Leg., R.S., Ch. 36, Sec. 20  
13 (part).)

14 Source Law

15 Sec. 20. The bond shall designate one or more  
16 banks inside or outside the district to serve as  
17 depository for the funds of the district. All funds of  
18 the district shall be deposited in the depository bank  
19 or banks, except that bond proceeds and funds pledged  
20 to pay bonds may, to the extent provided in any  
21 resolution or trust indenture authorizing or securing  
22 bonds of the district, be deposited with any other bank  
23 or trustee named in the bond resolution or trust  
24 indenture, and except that funds shall be remitted to  
25 each paying agent for the payment of principal of and  
26 interest on the bonds. To the extent that funds in the  
27 depository banks and the trustee bank are not insured  
28 by the Federal Deposit Insurance Corporation, they  
29 shall be secured in the manner provided by law for the  
30 security of city funds. . . .

31 Revisor's Note

32 Section 20, Chapter 36, Acts of the 64th  
33 Legislature, Regular Session, 1975, states that "[the]  
34 bond shall designate one or more banks." The revised  
35 law substitutes "board" for "bond" because it is clear  
36 from the context of the section that "bond" is a  
37 typographical error and that the legislature intended  
38 to use the word "board."

39 Revised Law

40 Sec. 11003.203. INVESTMENT OF DISTRICT MONEY. The board  
41 may invest district money in obligations and make time deposits of  
42 district money in the manner determined by the board or in the

1 manner permitted or required in a resolution or trust indenture  
2 authorizing or securing district bonds. (Acts 64th Leg., R.S., Ch.  
3 36, Sec. 20 (part).)

4 Source Law

5 Sec. 20. . . . The board may invest district  
6 funds in obligations and make time deposits of  
7 district funds in the manner determined by the board,  
8 or in the manner permitted or required in any  
9 resolution or trust indenture authorizing or securing  
10 bonds of the district.

11 Revised Law

12 Sec. 11003.204. DISTRICT FACILITIES EXEMPT FROM TAXATION  
13 AND ASSESSMENT. The district is not required to pay a tax or  
14 assessment on its facilities or any part of its facilities. (Acts  
15 64th Leg., R.S., Ch. 36, Sec. 22 (part).)

16 Source Law

17 Sec. 22. . . . The district shall not be  
18 required to pay any tax or assessment on its facilities  
19 or any part thereof, and . . . .

20 Revisor's Note  
21 (End of Subchapter)

22 Section 23, Chapter 36, Acts of the 64th  
23 Legislature, Regular Session, 1975, establishes  
24 certain procedures relating to the imposition of  
25 property taxes. The revised law omits those  
26 provisions as superseded by Title 1, Tax Code, which  
27 was intended as a comprehensive, substantive  
28 codification of all property tax law and its  
29 administration. Title 1, Tax Code, was enacted by  
30 Chapter 841, Acts of the 66th Legislature, Regular  
31 Session, 1979. Section 6(b) of that act repealed all  
32 "general, local, and special laws" that conflicted  
33 with that act. The omitted law reads:

34 Sec. 23. (a) The tax rolls of the  
35 city are hereby adopted and shall  
36 constitute the tax rolls of the district  
37 until assessment and tax rolls are made by  
38 the district.

39 (b) [If the district issues and  
40 delivers bonds which are payable wholly or  
41 partially from ad valorem taxes, the board  
42 annually shall cause the taxable property  
43 in the district to be rendered and assessed

1 for ad valorem taxation,] and the value of  
2 the taxable property to be equalized, . . .  
3 in accordance with any of the methods set  
4 forth in this section, and any method  
5 adopted shall remain in effect until  
6 changed by the board.

7 (c) The laws of this state applicable  
8 to general-law cities and towns may be  
9 adopted and shall be used to the extent  
10 pertinent and practicable.

11 (d) The laws of this state applicable  
12 to counties may be adopted and shall be used  
13 to the extent pertinent and practicable,  
14 provided that the board shall have the  
15 authority to act as its own board of  
16 equalization, or to appoint three resident,  
17 qualified electors of the district who own  
18 taxable property therein to act as the board  
19 of equalization of the district, and in  
20 either case the board of equalization shall  
21 qualify and perform the duties prescribed  
22 by law for county commissioners courts  
23 acting as boards of equalization.

24 (e) The board shall be authorized to  
25 have the taxable property in the district  
26 assessed, its values equalized, and/or its  
27 taxes collected, in whole or in part, by the  
28 tax assessors, board of equalization,  
29 and/or tax collectors, respectively, of any  
30 county, city, taxing district, or other  
31 governmental subdivision in which all or  
32 any part of the district is located; and the  
33 property may be assessed and the values  
34 thereof equalized on the same basis or a  
35 different basis than that used by any such  
36 governmental subdivision. The property  
37 shall be assessed, the values equalized,  
38 and the taxes collected in the manner and  
39 for the compensation agreed on between the  
40 appropriate parties, and the functions thus  
41 assumed by the officials of any such  
42 governmental subdivision shall be  
43 additional duties pertaining to their  
44 offices, respectively. The ad valorem tax  
45 law applicable to each such governmental  
46 subdivision shall apply to its officials in  
47 carrying out such functions for the  
48 district.

49 (f) It is specifically provided,  
50 however, that under any method used all  
51 taxable property within the district shall  
52 be assessed on the same basis and the values  
53 thereof shall be equalized by only one board  
54 of equalization, in an equal and uniform  
55 manner, as required by the Texas  
56 Constitution. If the board desires that  
57 taxable property shall be assessed and  
58 taxes collected by the tax assessors and/or  
59 collectors of more than one governmental  
60 subdivision, the board shall either act as  
61 its own board of equalization or appoint  
62 three resident, qualified electors of the  
63 district who own taxable property therein  
64 to act as the board of equalization, and in  
65 either case the board of equalization shall  
66 qualify and perform the duties prescribed  
67 by law for county commissioners courts  
68 acting as boards of equalization.

69 (g) Any other method or procedure

1 authorized or permitted by any other  
2 statute of the state may be adopted, in  
3 whole or in part, to the extent pertinent  
4 and practicable.

5 [Sections 11003.205-11003.250 reserved for expansion]

6 SUBCHAPTER F. BONDS

7 Revised Law

8 Sec. 11003.251. AUTHORITY TO ISSUE BONDS. (a) The district  
9 may issue bonds payable from and secured by revenue or ad valorem  
10 taxes, or both revenue and ad valorem taxes, of the district to  
11 carry out any power conferred by this chapter. The bonds must be  
12 authorized by a board resolution.

13 (b) The bonds must be issued in the manner and under the  
14 terms of the resolution authorizing the issuance of the bonds.  
15 (Acts 64th Leg., R.S., Ch. 36, Secs. 14(a), (b) (part), (e) (part).)

16 Source Law

17 Sec. 14. (a) For the purpose of carrying out  
18 any power or authority conferred by this Act, the  
19 district is empowered to issue its negotiable bonds to  
20 be payable from and secured by revenues or ad valorem  
21 taxes, or both revenues and ad valorem taxes, of the  
22 district, in the manner and under the terms and  
23 conditions provided in the resolution authorizing the  
24 issuance of the bonds.

25 (b) The bonds shall be authorized by resolution  
26 of the board and . . . .

27 (e) The district is also empowered to issue  
28 bonds payable from ad valorem taxes . . . to issue  
29 bonds secured by and payable from both taxes and  
30 revenue of the district . . . .

31 Revisor's Note

32 (1) Section 14(a), Chapter 36, Acts of the 64th  
33 Legislature, Regular Session, 1975, authorizes the  
34 district to issue "negotiable" bonds. The revised law  
35 omits "negotiable" because Section 1201.041,  
36 Government Code, provides that a public security is a  
37 negotiable instrument. Section 1201.041, Government  
38 Code, applies to district bonds by application of  
39 Sections 1201.002 and 1201.003, Government Code.

40 (2) Section 14(c), Chapter 36, Acts of the 64th  
41 Legislature, Regular Session, 1975, states that bonds  
42 may be issued in "more than one series and from time to

1 time as required for carrying out the purposes of this  
2 Act." The revised law omits "more than one series"  
3 because it duplicates a provision of Section 1201.022,  
4 Government Code, which applies to district bonds by  
5 application of Sections 1201.002 and 1201.003,  
6 Government Code. The revised law omits "from time to  
7 time" because the power to issue bonds implies the  
8 power to do so at any time. The revised law omits "as  
9 required for carrying out the purposes of this Act"  
10 because Section 14(a), Chapter 36, Acts of the 64th  
11 Legislature, Regular Session, 1975, revised as this  
12 section, authorizes the district to issue bonds for  
13 the purposes of the act. The omitted law reads:

14 (c) Bonds may be issued in more than  
15 one series and from time to time as required  
16 for carrying out the purposes of this Act.

17 Revised Law

18 Sec. 11003.252. FORM OF BONDS. District bonds must be:

- 19 (1) issued in the district's name;  
20 (2) signed by the president or vice president; and  
21 (3) attested by the secretary. (Acts 64th Leg., R.S.,  
22 Ch. 36, Sec. 14(b) (part).)

23 Source Law

24 (b) The bonds . . . shall be issued in the name  
25 of the district, signed by the president or  
26 vice-president, attested by the secretary, and . . . .

27 Revisor's Note

28 Section 14(b), Chapter 36, Acts of the 64th  
29 Legislature, Regular Session, 1975, provides that  
30 district bonds must bear the seal of the district and  
31 authorizes facsimile "printed or lithographed"  
32 signatures and seals. The revised law omits those  
33 provisions as unnecessary. The requirement that the  
34 bonds bear the seal of the district was impliedly  
35 repealed by Section 3, Bond Procedures Act of 1981  
36 (Article 717k-6, Vernon's Texas Civil Statutes)

1 (revised in relevant part in 1999 as Section  
2 1201.026(a), Government Code), which provides that  
3 bonds may be signed with or without a seal. The  
4 authorization for the use of printed or lithographed  
5 signatures duplicates Section 1201.026(a), Government  
6 Code, which also provides that bonds and interest  
7 coupons may be executed with manual or facsimile  
8 signatures. The omitted law reads:

9 (b) [The bonds] . . . shall bear the  
10 seal of the district. It is provided,  
11 however, that the signatures of the  
12 president, the vice-president, or the  
13 secretary or of both may be printed or  
14 lithographed on the bonds if authorized by  
15 the board and that the seal of the district  
16 may be impressed on the bonds or may be  
17 printed or lithographed thereon. . . .

18 Revised Law

19 Sec. 11003.253. MATURITY. District bonds must mature not  
20 later than 40 years after the date of their issuance. (Acts 64th  
21 Leg., R.S., Ch. 36, Sec. 14(b) (part).)

22 Source Law

23 (b) . . . The bonds shall mature serially or  
24 otherwise in not to exceed 40 years from their date and  
25 . . . .

26 Revisor's Note

27 Section 14(b), Chapter 36, Acts of the 64th  
28 Legislature, Regular Session, 1975, provides that  
29 district bonds shall mature "serially or otherwise."  
30 The revised law omits the quoted language because it is  
31 superseded by Section 1201.021, Government Code  
32 (enacted as Section 3, Bond Procedures Act of 1981  
33 (Article 717k-6, Vernon's Texas Civil Statutes)),  
34 which provides that the governing body of an issuer may  
35 determine the time of payment of public securities it  
36 issues, and by Section 1201.022, Government Code  
37 (enacted as Section 5(a), Bond Procedures Act of 1981  
38 (Article 717k-6, Vernon's Texas Civil Statutes)),  
39 which provides that a public security may be issued

1 with specified characteristics, on specified terms, or  
2 in a specified manner. Sections 1201.021 and 1201.022  
3 apply to district bonds under Sections 1201.002 and  
4 1201.003, Government Code.

5 Revised Law

6 Sec. 11003.254. ELECTION FOR BONDS PAYABLE FROM AD VALOREM  
7 TAXES. (a) Bonds, other than refunding bonds, payable wholly or  
8 partly from ad valorem taxes may not be issued unless authorized by  
9 a majority of the district voters voting at an election held for  
10 that purpose.

11 (b) The board may call an election under this section  
12 without a petition. The resolution calling the election must  
13 specify:

14 (1) the time and place at which the election will be  
15 held;

16 (2) the purpose for which the bonds will be issued;

17 (3) the amount of the bonds;

18 (4) the form of the ballot; and

19 (5) other matters the board considers necessary or  
20 advisable.

21 (c) Notice of the election must be given by publishing a  
22 substantial copy of the resolution calling the election in a  
23 newspaper of general circulation in the district. The notice must  
24 be published once each week for two consecutive weeks. The first  
25 publication must be not later than the 14th day before the date of  
26 the election.

27 (d) The district may issue bonds not payable wholly or  
28 partly from ad valorem taxes without an election. (Acts 64th Leg.,  
29 R.S., Ch. 36, Secs. 17(a) (part), (b).)

30 Source Law

31 Sec. 17. (a) No bonds payable wholly or  
32 partially from ad valorem taxes, except refunding  
33 bonds, shall be issued unless authorized at an  
34 election at which only the constitutionally qualified  
35 electors who reside in the district are allowed to vote  
36 and unless a majority of the votes cast is in favor of  
37 the issuance of the bonds. . . . Bonds not payable  
38 wholly or partially from ad valorem taxes may be issued

1 without an election.

2 (b) The elections may be called by the board  
3 without a petition. The resolution calling the  
4 election shall specify the time and place or places of  
5 holding the election, the purpose for which the bonds  
6 are to be issued, the amount thereof, the form of the  
7 ballot, and such other matters as are considered  
8 necessary or advisable by the board. Notice of the  
9 election shall be given by publishing a substantial  
10 copy of the resolution calling the election in a  
11 newspaper having general circulation in the district,  
12 once each week for two consecutive weeks, with the  
13 first publication to be at least 14 days prior to the  
14 election.

15 Revisor's Note

16 (1) Section 17(c), Chapter 36, Acts of the 64th  
17 Legislature, Regular Session, 1975, provides that the  
18 board shall receive and canvass election returns. The  
19 revised law omits that provision for the reason stated  
20 in Revisor's Note (8) to Section 11003.053. The  
21 omitted law reads:

22 (c) The returns of the election shall  
23 be made to and canvassed by the board.

24 (2) Section 17(d), Chapter 36, Acts of the 64th  
25 Legislature, Regular Session, 1975, provides that the  
26 Election Code and general laws relating to elections  
27 apply to an election under that section except as  
28 otherwise provided by that section. The revised law  
29 omits the reference to the Election Code because  
30 Section 1.002, Election Code, provides that the  
31 Election Code applies to all elections held in this  
32 state. An exception to the application of the Election  
33 Code would apply by its own terms. The revised law  
34 omits the reference to general laws relating to  
35 elections because any other general law applicable to  
36 district elections would apply by its own terms. The  
37 omitted law reads:

38 (d) The Texas Election Code, as  
39 amended, and general laws relating to  
40 elections shall be applicable to elections  
41 held under this section, except as  
42 otherwise provided herein.

43 Revised Law

44 Sec. 11003.255. BONDS SECURED BY REVENUE; ADDITIONAL BONDS.

1 (a) District bonds issued may be secured by a pledge of all or part  
2 of the district's revenue, or by all or part of the revenue of one or  
3 more contracts previously or subsequently made or other revenue or  
4 income specified by board resolution or a trust indenture securing  
5 the bonds. The pledge may reserve the right, under conditions  
6 specified by the pledge, to issue additional bonds that will be on a  
7 parity with or subordinate to the bonds then being issued.

8 (b) The district may issue bonds secured by both taxes and  
9 revenue of the district described by Subsection (a). (Acts 64th  
10 Leg., R.S., Ch. 36, Secs. 14(d), (e) (part).)

11 Source Law

12 (d) The bonds may be secured by a pledge of all  
13 or any part of the revenue of the district, or by all or  
14 any part of the revenue of any one or more contracts  
15 theretofore or thereafter made or other revenue or  
16 income specified by resolution of the board or in any  
17 trust indenture securing the bonds. Any such pledge  
18 may reserve the right, under conditions therein  
19 specified, to issue additional bonds which will be on a  
20 parity with or subordinate to the bonds then being  
21 issued.

22 (e) The district is also empowered to . . .  
23 issue bonds secured by and [payable from] both taxes  
24 and revenue of the district described in Subsection  
25 (d) of this section. . . .

26 Revised Law

27 Sec. 11003.256. BONDS PAYABLE FROM AD VALOREM TAXES. (a)  
28 If bonds are issued payable wholly or partly from ad valorem taxes,  
29 the board shall annually impose a tax on the taxable property in the  
30 district in an amount sufficient to pay the principal of and  
31 interest on the bonds when due.

32 (b) The district may adopt the rate of a tax imposed under  
33 Subsection (a) for any year after giving consideration to the money  
34 received from the pledged revenue that may be available for payment  
35 of principal and interest, to the extent and in the manner permitted  
36 by the resolution authorizing the issuance of the bonds. (Acts 64th  
37 Leg., R.S., Ch. 36, Secs. 14(e) (part), 23(b) (part).)

38 Source Law

39 [Sec. 14]

40 (e) [The district is also empowered to issue  
41 bonds payable from ad valorem taxes] to be levied on  
42 all taxable property therein, or . . . . Where bonds  
43 are issued payable wholly or partially from ad valorem

1 taxes, it shall be the duty of the board to levy a tax  
2 sufficient to pay the principal of and the interest on  
3 the bonds when due, but the rate of the tax for any year  
4 may be fixed after giving consideration to the money  
5 received from the pledged revenues which may be  
6 available for payment of principal and interest, to  
7 the extent and in the manner permitted by the  
8 resolution authorizing the issuance of the bonds.

9 [Sec. 23]

10 (b) If the district issues and delivers bonds  
11 which are payable wholly or partially from ad valorem  
12 taxes, the board annually shall cause the taxable  
13 property in the district to be rendered and assessed  
14 for ad valorem taxation, . . . and the ad valorem taxes  
15 in the district to be collected, . . . .

16 Revisor's Note

17 Section 14(e), Chapter 36, Acts of the 64th  
18 Legislature, Regular Session, 1975, provides that the  
19 rate of the property tax for any year may be "fixed" by  
20 the board. The revised law substitutes "adopt" for  
21 "fixed" to conform to the terminology used in Section  
22 26.05, Tax Code.

23 Revised Law

24 Sec. 11003.257. ADDITIONAL SECURITY. (a) District bonds,  
25 including refunding bonds, that are not payable wholly from ad  
26 valorem taxes may be additionally secured, at the discretion of the  
27 board, by a deed of trust or mortgage lien on physical property of  
28 the district and all franchises, easements, water rights, and  
29 appropriation permits, leases, and contracts and all rights  
30 appurtenant to the property, vesting in the trustee power to:

- 31 (1) sell the property for the payment of the debt;  
32 (2) operate the property; and  
33 (3) take other action to further secure the bonds.

34 (b) A purchaser under a sale under the deed of trust lien, if  
35 one is given:

36 (1) is the absolute owner of property, facilities, and  
37 rights purchased; and

38 (2) is entitled to maintain and operate the property,  
39 facilities, and rights. (Acts 64th Leg., R.S., Ch. 36, Sec. 16  
40 (part).)



1 preservation of the trust estate, and may make  
2 provision for amendment or modification thereof and  
3 the issuance of bonds to replace lost or mutilated  
4 bonds, and may condition the right to expend district  
5 money or sell district property on approval of a  
6 registered professional engineer selected as provided  
7 therein, and may make provision for the investment of  
8 funds of the district. . . .

9 Revisor's Note

10 Section 16, Chapter 36, Acts of the 64th  
11 Legislature, Regular Session, 1975, refers to a  
12 "registered professional engineer." The revised law  
13 substitutes "licensed engineer" for the quoted  
14 language because under Chapter 1001, Occupations Code,  
15 engineers are licensed, not registered.

16 Revised Law

17 Sec. 11003.259. CHARGES FOR DISTRICT SERVICES. (a) If  
18 district bonds payable wholly from revenue are issued, the board  
19 shall set and revise the rates of compensation for water sold and  
20 services provided by the district. The rates must be sufficient to:

21 (1) pay the expense of operating and maintaining  
22 district facilities;

23 (2) pay the principal of and interest on the bonds when  
24 due; and

25 (3) maintain the reserve fund and other funds as  
26 provided in the resolution authorizing the bonds.

27 (b) If bonds payable partly from revenue are issued, the  
28 board shall set and revise the rate of compensation for water sold  
29 and any other services provided by the district. The rate must be  
30 sufficient to ensure compliance with the resolution authorizing the  
31 bonds or the trust indenture securing the bonds. (Acts 64th Leg.,  
32 R.S., Ch. 36, Sec. 14(f).)

33 Source Law

34 (f) Where bonds payable wholly from revenue are  
35 issued, it shall be the duty of the board to fix, and  
36 from time to time to revise, the rates of compensation  
37 for water sold and services rendered by the district  
38 which will be sufficient to pay the expense of  
39 operating and maintaining the facilities of the  
40 district and to pay the principal of and interest on  
41 the bonds when due, and to maintain the reserve and  
42 other funds as provided in the resolution authorizing  
43 the bonds. Where bonds payable partially from revenue

1 are issued, it shall be the duty of the board to fix,  
2 and from time to time revise, the rate of compensation  
3 for water sold, and any other services rendered by the  
4 district, which will be sufficient to assure  
5 compliance with the resolution authorizing the bonds  
6 or the trust indenture securing such bonds.

7 Revisor's Note

8 (1) Section 14(f), Chapter 36, Acts of the 64th  
9 Legislature, Regular Session, 1975, provides that the  
10 board shall "fix" the rates the district charges for  
11 water sold and services provided by the district. The  
12 revised law substitutes "set" for "fix" for the reason  
13 stated in Revisor's Note (4) to Section 11003.053.

14 (2) Section 14(f), Chapter 36, Acts of the 64th  
15 Legislature, Regular Session, 1975, provides that the  
16 board shall fix and "from time to time revise" the  
17 rates the district charges for water sold and services  
18 provided by the district. The revised law omits the  
19 quoted language because the duty to set the rates  
20 includes the duty to revise them from time to time.

21 Revised Law

22 Sec. 11003.260. USE OF BOND PROCEEDS. (a) The district may  
23 set aside an amount of proceeds from the sale of district bonds for:

24 (1) the payment of interest expected to accrue during  
25 construction not to exceed three years;

26 (2) a reserve interest and sinking fund; and

27 (3) other funds as may be provided in the resolution  
28 authorizing the bonds or in the trust indenture.

29 (b) The district may use proceeds from the sale of the bonds  
30 to pay any expense necessarily incurred in accomplishing the  
31 purpose of the district, including any expense of issuing and  
32 selling the bonds. (Acts 64th Leg., R.S., Ch. 36, Sec. 14(g).)

33 Source Law

34 (g) From the proceeds from the sale of the bonds  
35 the district may set aside an amount for the payment of  
36 interest expected to accrue during construction not to  
37 exceed three years, a reserve interest and sinking  
38 fund, and such other funds as may be provided in the  
39 resolution authorizing the bonds or in the trust  
40 indenture. Proceeds from the sale of the bonds may  
41 also be used for the payment of all expenses

1 necessarily incurred in accomplishing the purpose for  
2 which this district is created, including expenses of  
3 issuing and selling the bonds.

4 Revised Law

5 Sec. 11003.261. APPOINTMENT OF RECEIVER. (a) On default or  
6 threatened default in the payment of the principal of or interest on  
7 district bonds that are payable wholly or partly from revenue, a  
8 court may, on petition of the holders of outstanding bonds, appoint  
9 a receiver for the district.

10 (b) The receiver may collect and receive all district  
11 income, except taxes, employ and discharge district agents and  
12 employees, take charge of money on hand, except money received from  
13 taxes, unless commingled, and manage the proprietary affairs of the  
14 district without consent or hindrance by the board.

15 (c) The receiver may be authorized to sell or contract for  
16 the sale of water or to renew those contracts with the approval of  
17 the court that appointed the receiver.

18 (d) The court may vest the receiver with any other power or  
19 duty the court finds necessary to protect the bondholders. (Acts  
20 64th Leg., R.S., Ch. 36, Sec. 14(h) (part).)

21 Source Law

22 (h) 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, on petition of  
26 the holders of outstanding bonds, appoint a receiver  
27 with authority to collect and receive all income of the  
28 district, except taxes, employ and discharge agents  
29 and employees of the district, take charge of funds on  
30 hand, except funds received from taxes, unless  
31 commingled, and manage the proprietary affairs of the  
32 district without consent or hindrance by the board.  
33 The receiver may also be authorized to sell or make  
34 contracts for the sale of water or renew the contracts  
35 with the approval of the court appointing him. The  
36 court may vest the receiver with such other powers and  
37 duties as the court may find necessary for the  
38 protection of the holders of the bonds. . . .

39 Revisor's Note

40 Section 14(h), Chapter 36, Acts of the 64th  
41 Legislature, Regular Session, 1975, refers to a court  
42 "of competent jurisdiction." The revised law omits  
43 the quoted language because the general laws of civil  
44 jurisdiction determine which courts have "competent

1 jurisdiction" over a matter. For example, see Section  
2 24.003, Government Code, for the jurisdiction of  
3 certain district courts to appoint receivers.

4 Revised Law

5 Sec. 11003.262. REFUNDING BONDS. (a) The district may  
6 issue refunding bonds to refund outstanding district bonds and  
7 interest on those bonds.

8 (b) Refunding bonds may:

9 (1) be issued to refund bonds of more than one series;

10 (2) combine the pledges for the outstanding bonds for  
11 the security of the refunding bonds; or

12 (3) be secured by a pledge of other or additional  
13 revenue or mortgage liens.

14 (c) The provisions of this subchapter regarding the  
15 issuance of other bonds, their security, and the remedies of the  
16 holders apply to refunding bonds.

17 (d) The comptroller shall register the refunding bonds on  
18 surrender and cancellation of the bonds to be refunded.

19 (e) Instead of issuing bonds to be registered on the  
20 surrender and cancellation of the bonds to be refunded, the  
21 district, in the resolution authorizing the issuance of the  
22 refunding bonds, may provide for the sale of the refunding bonds and  
23 the deposit of the proceeds in a bank at which the bonds to be  
24 refunded are payable. In that case, the refunding bonds may be  
25 issued in an amount sufficient to pay the principal of and interest  
26 and any required redemption premium on the bonds to be refunded to  
27 any redemption date or to their maturity date, and the comptroller  
28 shall register the refunding bonds without the surrender and  
29 cancellation of the bonds to be refunded.

30 (f) An election is not required to authorize the issuance of  
31 refunding bonds.

32 (g) The district may also issue refunding bonds under any  
33 other applicable law. (Acts 64th Leg., R.S., Ch. 36, Sec. 15.)



1 (part).)

2 Source Law

3 (h) . . . The resolution authorizing the  
4 issuance of the bonds, or the trust indenture securing  
5 them, may limit or qualify the rights of the holders of  
6 less than all of the outstanding bonds payable from the  
7 same source to institute or prosecute litigation  
8 affecting the district's property or income.

9 Revised Law

10 Sec. 11003.264. BONDS EXEMPT FROM TAXATION. A district  
11 bond, the transfer of the bond, and the income from the bond,  
12 including profits made on the sale of the bond, are exempt from  
13 taxation in this state. (Acts 64th Leg., R.S., Ch. 36, Sec. 22  
14 (part).)

15 Source Law

16 Sec. 22. . . . the bonds issued thereunder and  
17 their transfer and the income therefrom, including the  
18 profits made on the sale thereof, shall at all times be  
19 free from taxation in this state.

20 Revised Law

21 Sec. 11003.265. DETACHMENT OF DISTRICT TERRITORY AFTER  
22 ISSUANCE OF BONDS. Territory may not be detached from the district  
23 after the issuance of bonds payable from revenue or taxes, or both  
24 revenue and taxes. (Acts 64th Leg., R.S., Ch. 36, Sec. 17(a)  
25 (part).)

26 Source Law

27 (a) . . . No territory shall be detached from  
28 the district after the issuance of bonds which are  
29 payable from revenue or taxes or both. . . .

30 Revisor's Note  
31 (End of Subchapter)

32 (1) Section 14(b), Chapter 36, Acts of the 64th  
33 Legislature, Regular Session, 1975, provides that  
34 district bonds may be sold "at a price and under terms  
35 determined by the board to be the most advantageous  
36 reasonably obtainable." The revised law omits the  
37 quoted language because it is superseded by general  
38 law. Section 1201.022, Government Code, as amended in  
39 2001, provides that an issuer may sell public  
40 securities "under the terms determined by the

1 governing body of the issuer to be in the issuer's best  
2 interests." Section 1201.022, Government Code,  
3 applies to district bonds by application of Sections  
4 1201.002 and 1201.003, Government Code. The omitted  
5 law reads:

6 (b) . . . [The bonds] . . . may be  
7 sold at a price and under terms determined  
8 by the board to be the most advantageous  
9 reasonably obtainable, . . . .

10 (2) Section 14(b), Chapter 36, Acts of the 64th  
11 Legislature, Regular Session, 1975, provides that  
12 district bonds may bear interest at a rate not to  
13 exceed 10 percent. The revised law omits that  
14 provision because it is superseded by other law.  
15 Section 14(b) was enacted in 1975 and was impliedly  
16 amended by the subsequent amendment of Chapter 3, Acts  
17 of the 61st Legislature, Regular Session, 1969  
18 (Article 717k-2, Vernon's Texas Civil Statutes). The  
19 maximum interest rate noted in Chapter 3 was revised in  
20 1999 as Section 1204.006, Government Code. Section  
21 1204.006 permits a public agency to issue public  
22 securities at any net effective interest rate of 15  
23 percent or less. Section 1204.006, Government Code,  
24 applies to district bonds by application of Sections  
25 1204.001 and 1204.002, Government Code. The omitted  
26 law reads:

27 (b) . . . [The bonds] . . . [may be  
28 sold] . . . provided that the interest cost  
29 to the district, including the discount, if  
30 any, does not exceed 10 percent per annum,  
31 and . . . .

32 (3) Section 14(b), Chapter 36, Acts of the 64th  
33 Legislature, Regular Session, 1975, provides that  
34 district bonds may be redeemed before maturity at the  
35 time and price specified in the bonds. The revised law  
36 omits that provision because it duplicates Sections  
37 1201.021 and 1201.022, Government Code, which provide  
38 that a public security may be redeemed before maturity

1 and be payable in specified amounts and at specified  
2 times. Those sections apply to district bonds by the  
3 application of Sections 1201.002 and 1201.003,  
4 Government Code. The omitted law reads:

5 (b) . . . [The bonds] . . . within  
6 the discretion of the board may be made  
7 callable prior to maturity at such times and  
8 prices as may be prescribed in the bonds,  
9 and . . . .

10 (4) Section 14(b), Chapter 36, Acts of the 64th  
11 Legislature, Regular Session, 1975, provides that  
12 district bonds may be made registrable as to principal  
13 or as to principal and interest. The revised law omits  
14 that provision because it duplicates Section  
15 1201.024(a)(3), Government Code. That section applies  
16 to district bonds by the application of Sections  
17 1201.002 and 1201.003, Government Code. The omitted  
18 law reads:

19 (b) . . . [The bonds] . . . may be  
20 made registrable as to principal or as to  
21 both principal and interest.

22 (5) Section 17(e), Chapter 36, Acts of the 64th  
23 Legislature, Regular Session, 1975, requires the  
24 district to secure approval from the Texas Water  
25 Rights Commission (now the Texas Commission on  
26 Environmental Quality as explained by the revisor's  
27 note to Section 11003.152) before issuing bonds for  
28 improvements, as provided by Section 51.421, Water  
29 Code. Chapter 715, Acts of the 74th Legislature,  
30 Regular Session, 1995, repealed Section 51.421, Water  
31 Code, and enacted Section 49.181, Water Code, to  
32 govern the authority of the commission over the  
33 issuance of district bonds. A reference to Section  
34 49.181, Water Code, is unnecessary because that  
35 section applies to the district under Sections 49.001  
36 and 49.002, Water Code, without an express reference  
37 to that section in this chapter. The omitted law

1 reads:

2 (e) Before the district shall issue  
3 any bonds for such improvements, it shall  
4 secure prior approval from the Texas Water  
5 Rights Commission, as provided by Section  
6 51.421, Water Code.

7 (6) Section 18, Chapter 36, Acts of the 64th  
8 Legislature, Regular Session, 1975, requires the  
9 district to deliver its bonds to the attorney general  
10 for examination and approval. The revised law omits  
11 that provision because it duplicates, in substance,  
12 Section 1202.003, Government Code. Section 1202.003,  
13 Government Code, applies to district bonds by  
14 application of Section 1202.001, Government Code. The  
15 omitted law reads:

16 Sec. 18. After any bonds, including  
17 refunding bonds, are authorized by the  
18 district, the bonds and the proceedings  
19 relating to their issuance shall be  
20 submitted to the Attorney General of Texas  
21 for his examination as to the validity  
22 thereof. . . . If he finds that the bonds  
23 have been authorized and . . . in  
24 accordance with the constitution and laws  
25 of the State of Texas, he shall approve the  
26 bonds and . . . .

27 (7) Section 18, Chapter 36, Acts of the 64th  
28 Legislature, Regular Session, 1975, provides that  
29 after approval the bonds shall be registered with the  
30 comptroller. The revised law omits that provision as  
31 superseded by Section 1202.005, Government Code  
32 (enacted in 1987 as Section 3.002(c), Chapter 53, Acts  
33 of the 70th Legislature, 2nd Called Session). Section  
34 1202.005, Government Code, applies to district bonds  
35 by application of Section 1202.001, Government Code.  
36 The omitted law reads:

37 Sec. 18. . . . [he shall approve the  
38 bonds and] . . . the bonds then shall be  
39 registered by the comptroller of public  
40 accounts. . . .

41 (8) Section 18, Chapter 36, Acts of the 64th  
42 Legislature, Regular Session, 1975, provides that  
43 after approval and registration, district bonds shall

1 be incontestable and binding obligations. The revised  
2 law omits that provision as impliedly repealed by  
3 Section 1202.006, Government Code (enacted as Section  
4 3.002(d), Chapter 53, Acts of the 70th Legislature,  
5 2nd Called Session, 1987). Section 1202.006,  
6 Government Code, provides that after approval and  
7 registration, bonds are incontestable for any reason.  
8 Section 1202.006 applies to district bonds by  
9 application of Section 1202.001, Government Code. The  
10 omitted law reads:

11           Sec. 18. . . . Thereafter the bonds,  
12           and . . . shall be valid and binding  
13           obligations in accordance with their terms  
14           for all purposes, and shall be  
15           incontestable in any court, or other forum,  
16           for any reason.

17           (9) Section 18, Chapter 36, Acts of the 64th  
18 Legislature, Regular Session, 1975, details various  
19 procedures regarding approval of bond contracts and  
20 proceedings by the attorney general. The revised law  
21 omits the portion of Section 18 regarding the validity  
22 and incontestability of a contract the revenue or  
23 proceeds of which are pledged to the payment of a bond  
24 as impliedly repealed by Section 1202.006, Government  
25 Code (enacted as Section 3.002(d), Chapter 53, Acts of  
26 the 70th Legislature, 2nd Called Session, 1987).  
27 Section 1202.006, Government Code, provides that after  
28 approval and registration of the bond, the bond and  
29 contract are incontestable for any reason. Section  
30 1202.006 applies to district bonds by application of  
31 Section 1202.001, Government Code. The omitted law  
32 reads:

33           Sec. 18. . . . If the bonds recite  
34           that they are secured by a pledge of the  
35           revenue or proceeds of a contract  
36           theretofore made between the district and  
37           any city, or other public agency or  
38           political subdivision, or other entity, a  
39           copy of the contract and the proceedings of  
40           the city or other public agency or political  
41           subdivision, or other entity, authorizing

1 the contract also shall be submitted to the  
2 attorney general. [If he finds that] . . .  
3 the contracts have been made [in accordance  
4 with the constitution and laws of the State  
5 of Texas, he shall approve] . . . the  
6 contracts, and . . . . [Thereafter . . .]  
7 the contracts, if any, [shall be valid and  
8 binding obligations in accordance with  
9 their terms for all purposes and shall be  
10 incontestable in any court, or other forum,  
11 for any reason.]

12 (10) Section 21, Chapter 36, Acts of the 64th  
13 Legislature, Regular Session, 1975, lists the entities  
14 for which district bonds are legal investments and  
15 provides that district bonds may secure deposits of  
16 public funds of the state or political subdivisions.  
17 The revised law omits the provision relating to the  
18 eligibility of district bonds to be considered as  
19 investments for various entities because it duplicates  
20 Section 49.186(a), Water Code. While Section 21 lists  
21 "guardians" and Section 49.186(a), Water Code, does  
22 not, the latter statute includes "fiduciaries," and a  
23 guardian is a fiduciary. The revised law omits the  
24 provision relating to deposits of state funds as  
25 impliedly repealed by Section 404.0221, Government  
26 Code (enacted in 1995), which lists eligible  
27 collateral for deposits of state funds by the  
28 comptroller, and by Section 404.031, Government Code  
29 (enacted in 1985 as Section 3.001, Article 4393-1,  
30 Vernon's Texas Civil Statutes), which provides for the  
31 valuation of that collateral. As to deposits of other  
32 funds, the provision is impliedly repealed by Chapter  
33 2257, Government Code (enacted in 1989 as Article  
34 2529d, Vernon's Texas Civil Statutes), which governs  
35 eligible collateral for deposits of funds of other  
36 public agencies, including political subdivisions,  
37 and permits those deposits to be secured by  
38 obligations issued by conservation and reclamation  
39 districts. The omitted law reads:

40 Sec. 21. All bonds of the district

1 shall be and are hereby declared to be legal  
2 and authorized investments for banks,  
3 savings banks, trust companies, building  
4 and loan associations, insurance companies,  
5 fiduciaries, trustees, guardians, and for  
6 the sinking funds of cities, towns,  
7 villages, counties, school districts, or  
8 other political corporations or  
9 subdivisions of the State of Texas. The  
10 bonds shall be eligible to secure the  
11 deposit of any and all public funds of the  
12 State of Texas, and any and all public funds  
13 of cities, towns, villages, counties,  
14 school districts, or other political  
15 corporations or subdivisions of the State  
16 of Texas; and the bonds shall be lawful and  
17 sufficient security for the deposits to the  
18 extent of their value, when accompanied by  
19 all unmatured coupons appurtenant thereto.

20 Revisor's Note  
21 (End of Chapter)

22 (1) Section 24, Chapter 36, Acts of the 64th  
23 Legislature, Regular Session, 1975, provides in part  
24 that the act is sufficient authority for the issuance  
25 of bonds, the execution of contracts and conveyances,  
26 and the performance of other authorized acts by the  
27 district, the city of Matador, and all other public  
28 agencies and political subdivisions, without  
29 reference to any other law or any restrictions or  
30 limitations contained in another law, except as  
31 specifically provided by the act, and that in case of  
32 certain conflicts between the act and any other law,  
33 the act prevails.

34 The revised law omits the statement that the act  
35 is sufficient authority for the performance of acts  
36 authorized by the act because it is unnecessary. The  
37 operative provisions of the act are fully effective on  
38 their own terms.

39 The revised law omits the statement that other  
40 laws or restrictions or limitations contained in those  
41 laws do not apply and that in case of certain conflicts  
42 between the act and other law the act prevails because  
43 it is both unnecessary and potentially misleading. An  
44 accepted general principle of statutory construction

1 requires a statute to be given cumulative effect with  
2 other statutes unless it provides otherwise or unless  
3 the statutes are in conflict. To the extent the  
4 statement means the act prevails over other law in  
5 existence at the time the act became effective and with  
6 which the act conflicts, it merely restates general  
7 rules of statutory construction. To the extent the  
8 statement means the act prevails over future  
9 enactments of the legislature that may conflict with  
10 it, it is misleading. It is a fundamental principle of  
11 statutory construction that one session of the  
12 legislature may not bind a future session of the  
13 legislature. In addition, Section 311.026, Government  
14 Code (Code Construction Act), governs the  
15 interpretation of the revised law in instances of  
16 apparent conflict with other laws.

17 Finally, codification of the statement is  
18 potentially misleading because the revised law not  
19 only omits provisions of the act that are impliedly  
20 repealed by other law, it also omits provisions that  
21 are duplicative of other law. Codification of the  
22 statement might create an impression that the  
23 provisions of other law that duplicate the omitted  
24 provisions do not apply.

25 Section 24 also provides that the district, the  
26 city of Matador, and all other public agencies and  
27 political subdivisions may use the provisions of other  
28 laws that do not conflict with the act to carry out any  
29 power granted by the act. The revised law omits that  
30 provision as unnecessary. The operative provisions of  
31 other applicable laws are fully effective on their own  
32 terms. The omitted law reads:

33 Sec. 24. This Act shall be wholly  
34 sufficient authority within itself for the  
35 issuance of the bonds, the execution of  
36 contracts, and conveyances, and the

1 performance of the other acts and  
2 procedures authorized herein by the  
3 district, the city of Matador, and all other  
4 public agencies and political subdivisions,  
5 without reference to any other law or any  
6 restrictions or limitations contained  
7 therein, except as herein specifically  
8 provided; and when any bonds are being  
9 issued or other action taken under this Act,  
10 then to the extent of any conflict or  
11 inconsistency between any provisions of  
12 this Act and any provisions of any other  
13 law, the provisions of this Act shall  
14 prevail and control; provided, however,  
15 that the district, the city of Matador, and  
16 all other public agencies and political  
17 subdivisions, shall have the right to use  
18 the provisions of any other laws, not in  
19 conflict with the provisions hereof, to the  
20 extent convenient or necessary to carry out  
21 any power or authority, express or implied,  
22 granted by this Act.

23 (2) Section 25, Chapter 36, Acts of the 64th  
24 Legislature, Regular Session, 1975, provides that the  
25 act is severable. The revised law omits that provision  
26 because the same result is produced by application of  
27 Section 311.032, Government Code (Code Construction  
28 Act), 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 Sec. 25. In case any one or more of  
32 the sections, provisions, clauses, or words  
33 of this Act or the application thereof to  
34 any situation or circumstance shall for any  
35 reason be held to be invalid or  
36 unconstitutional, such invalidity or  
37 unconstitutionality shall not affect any  
38 other sections, provisions, clauses, or  
39 words of this Act or the application thereof  
40 to any other situation or circumstance, and  
41 it is intended that this Act shall be  
42 severable and shall be construed and  
43 applied as if any such invalid or  
44 unconstitutional section, provision,  
45 clause, or word had not been included  
46 herein.

47 (3) Section 26, Chapter 36, Acts of the 64th  
48 Legislature, Regular Session, 1975, provides that  
49 proof of publication of the constitutionally required  
50 notice has been made. The revised law omits that  
51 provision as executed. The omitted law reads:

52 Sec. 26. Proof of publication of the  
53 constitutional notice required in the  
54 enactment hereof under the provisions of

1  
2  
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9

Article XVI, Section 59, of the Texas Constitution, has been made in the manner provided therein, and a copy of the notice and the bill as originally introduced has been delivered to the Governor of the State of Texas as required in the constitutional provision, and the notice and delivery are hereby found and declared to be proper and sufficient to satisfy such requirements.

1 APPENDIX A

2 CONFORMING AMENDMENTS

3 SECTION 2.01. Section 1, Chapter 317, Acts of the 59th  
4 Legislature, Regular Session, 1965, is amended to read as follows:

5 Sec. 1. [~~Pursuant to the provisions of Section 9 of Article~~  
6 ~~IX of the Constitution of the State of Texas, this Act shall be~~  
7 ~~operative so as to authorize the creation, establishment,~~  
8 ~~maintenance and operation of a Hospital District within the State~~  
9 ~~of Texas, to be known as]~~ Yoakum Hospital District, situated in the  
10 Counties of DeWitt, Lavaca and Gonzales, Texas, and the boundaries  
11 of said District shall be coextensive with the boundaries of the  
12 three school districts, hereinafter named as constituted on January  
13 1, 1965, lying adjacent and forming one body of land, situated  
14 partly in the Counties of DeWitt, Lavaca and Gonzales, Texas, to  
15 wit:

16 HOPE COMMON SCHOOL DISTRICT No. 58, lying wholly in Lavaca  
17 County, Texas, SWEET HOME COMMON SCHOOL DISTRICT No. 41, lying  
18 wholly in Lavaca County, Texas, and YOAKUM INDEPENDENT SCHOOL  
19 DISTRICT, lying partly within the Counties of DeWitt, Lavaca and  
20 Gonzales, Texas, except as that certain area excluded therefrom  
21 situated in said Yoakum Independent School District, in DeWitt  
22 County, Texas, lying near the City of Cuero and adjacent to the  
23 present Cuero Independent School District, and better described as  
24 being all of the William Norwall (W. L. Norwall) Survey A-371; all  
25 of the S. B. Mixon Survey A-341; all of the Joshua Threadgill Survey  
26 A-454; and all of the William S. Townsend Survey A-457.

27 [~~The District shall have the powers and responsibilities~~  
28 ~~provided by the aforesaid Constitutional provision and as~~  
29 ~~hereinafter prescribed.]~~

30 SECTION 2.02. Section 2, Chapter 18, Acts of the 55th  
31 Legislature, 1st Called Session, 1957, is amended to read as  
32 follows:

33 Sec. 2. [~~It is expressly determined and found that all of~~  
34 ~~the land and other property included within the area and boundaries~~

1 ~~of the District (Bell County Water Control and Improvement District~~  
2 ~~No. 6) will be benefited by the works and projects which are to be~~  
3 ~~accomplished by the District pursuant to the powers conferred by~~  
4 ~~the provisions of Article XVI, Section 59, of the Constitution of~~  
5 ~~Texas, and that said District was and is created to serve a public~~  
6 ~~use and benefit.]~~ The area of the District shall be all of that  
7 territory enclosed within the following metes and bounds  
8 description, to-wit:

9 BEGINNING at intersection of right bank of Leon River with  
10 center line of Belton-Shallow Ford Road.

11 THENCE westerly with said road, 6800 feet, more or less, to  
12 east line of M. F. Connell Survey, Abstract #6.

13 THENCE N. 19° E., 925 feet, more or less, with said survey to  
14 point that would intersect East 6th Street, Belton, Texas.

15 THENCE westerly with said 6th Street to Santa Fe Railroad  
16 Belton Spur.

17 THENCE northerly with said Spur to Santa Fe Railroad Main  
18 Line Right-of-Way.

19 THENCE westerly with said Santa Fe Right-of-Way to road going  
20 north to Belton Dam Site.

21 THENCE northerly 800 feet, more or less, with Belton Dam Site  
22 Road to north line of Lewis Walker Survey, Abstract #860.

23 THENCE N. 71° W., 12,000 feet, more or less, with north line  
24 of Walker Survey, to its northwest corner.

25 THENCE S. 19° W., 150 feet, more or less, to Belton-Sparta  
26 Road.

27 THENCE northwesterly 4500 feet, more or less, with said  
28 Belton-Sparta Road to east line of A. C. Barrington Tract.

29 THENCE northerly 2300 feet, more or less, with east line of  
30 Barrington Tract to its northeast corner, in north line of Wm.  
31 Norvell Survey, Abstract #627.

32 THENCE N. 71° W. to the northwest corner of Norvell Survey and  
33 the northeast corner of Wiley Jones Survey, Abstract #475.

34 THENCE S. 19° W. with Fort Hood Reservation and the east line

1 of Jones Survey 7400 feet, more or less, to corner of said  
2 Reservation.

3 THENCE westerly 16,000 feet, more or less, with said  
4 Reservation south line, to the most northerly northwest corner of  
5 C. O. Kaiser Tract.

6 THENCE southerly 860 feet, more or less, with said  
7 Reservation Line to an ell corner of Kaiser Tract.

8 THENCE N. 71° W., 7800 feet, more or less, to a point in the  
9 east line of Wm. Brown Survey, Abstract #87.

10 THENCE S. 19° W. to the southeast corner of said Brown Survey.

11 THENCE N. 71° W. to the southwest corner of said Brown Survey,  
12 in the east line of G. W. Cartwright Survey.

13 THENCE southerly 3880 feet, more or less, with Reservation  
14 Line and east line of said Cartwright Survey to the northeast corner  
15 of T. J. Cox Tract.

16 THENCE N. 71° W., 1850 feet, more or less, with Reservation  
17 and Cox Line to northwest corner of Cox's Tract in the east line of  
18 Grady Bagby Tract.

19 THENCE N. 19° E., 1100 feet, more or less, with Bagby's east  
20 line and Reservation Line, to the northeast corner of Bagby Tract.

21 THENCE westerly 5800 feet, more or less, with Reservation  
22 Line and north line of Bagby and T. L. Bishop Tracts, a corner in  
23 east line of Perry Hicks Tract.

24 THENCE northerly 1450 feet, more or less, to Hicks northeast  
25 corner and corner of Reservation.

26 THENCE N. 71° W., 3100 feet, more or less, to point in public  
27 road for corner of this.

28 THENCE northwesterly 8000 feet, more or less, with said road  
29 and Reservation Line to northwest corner of W. S. Whitmire Tract and  
30 corner of this.

31 THENCE N. 71° W., 3500 feet, more or less, with Reservation  
32 Line to northwest corner of E. R. Hilliard Tract.

33 THENCE S. 19° W., 850 feet, more or less, to northeast corner  
34 of W. T. Dugger Tract.

1           THENCE N. 71° W., 1320 feet, more or less, with Reservation  
2 Line and north line of Dugger to Dugger's northwest corner in west  
3 line of A. Dickson Survey, Abstract #265.

4           THENCE S. 19° W., 4600 feet, more or less, with Reservation  
5 Line to corner thereof.

6           THENCE westerly 9100 feet, more or less, with Reservation  
7 Line to northwest corner of Fairway Park Addition, Killeen, Texas,  
8 and corner of Reservation.

9           THENCE S. 19° W., 1300 feet, more or less, to corner of  
10 Fairway Park Addition, S. 71° E., 100 feet, more or less to ell  
11 corner of Fairway Park Addition, and S. 19° W., 1200 feet, more or  
12 less, to the north line of A. Thompson Survey, Abstract #813.

13           THENCE N. 71° W. to northwest corner of A. Thompson Survey.

14           THENCE S. 19° W., 5800 feet, more or less, with Reservation  
15 Line to ell corner of Wendland Tract.

16           THENCE N. 71° W., 800 feet, more or less, and S. 19° W., 1500  
17 feet, more or less, to point in east line of Thomas Robinett Survey,  
18 Abstract #686, northeast corner of Mrs. Joe Harris Tract for corner  
19 of this and of Reservation.

20           THENCE N. 71° W., 8000 feet, more or less, with Reservation  
21 Line, the northwest corner of L. A. Williams Tract.

22           THENCE southwesterly 3400 feet, more or less, with  
23 Reservation Line to a point in north line of Oscar Rose Tract.

24           THENCE N. 71° W., 5700 feet, more or less, to west line of said  
25 Robinett Survey and the northwest corner of H. Shorn 251 acre tract.

26           THENCE S. 19° W., 13,900 feet, more or less, to southwest  
27 corner of Theron Shepard Tract in west line of J. E. Madera Survey,  
28 Abstract #600.

29           THENCE S. 71° E., 1800 feet, more or less, to most southerly  
30 southeast corner of said Shepard Tract in west line of C. V.  
31 Bouchelle Tract.

32           THENCE N. 19° E., 600 feet, more or less, to the most  
33 northerly northwest corner of the Bouchelle Tract.

34           THENCE S. 71° E., 1600 feet, more or less, to northeast corner

1 of Bouchelle Tract in west line of A. J. Henderson Tract.

2           THENCE N. 19° E., 1700 feet, more or less, to the most  
3 northerly northwest corner of Henderson Tract, S. 71° E., 600 feet,  
4 more or less, to an ell corner of Henderson Tract, and N. 19° E.,  
5 2300 feet, more or less, to the northwest corner of said Henderson  
6 Tract in south line of Robinett Survey.

7           THENCE S. 71° E., 12,000 feet, more or less, with south line  
8 of Robinett Survey and projecting said line to west line of Azra  
9 Webb Survey, Abstract #857, for a corner of this.

10           THENCE S. 19° W., 7000 feet, more or less, with west line of  
11 said Webb Survey and road to southwest corner of said Webb Survey.

12           THENCE S. 71° E., 6000 feet, more or less, to southeast corner  
13 of said Webb Survey, a road intersection for corner of this.

14           THENCE easterly with public road, at 5400 feet, more or less,  
15 the southwest corner of Sarah Llewelyn 100 acre tract.

16           THENCE northerly 1300 feet, more or less, to the northwest  
17 corner of said 100 acre tract, and easterly 2000 feet, more or less,  
18 to northeast corner of said 100 acre tract in west line of Llewelyn  
19 300 acre tract.

20           THENCE N. 19° E., 1800 feet, more or less, with west line of  
21 said 300 acre tract, 2500 feet, more or less, from the northwest  
22 corner thereof.

23           THENCE N. 71° E., 5600 feet, more or less, to point in east  
24 line of Robert Cunningham Survey, Abstract #199, and west line of  
25 Robert Cunningham Survey, Abstract #198, and southwest corner of L.  
26 M. Parmer 100 acre tract.

27           THENCE N. 19° W., 2000 feet, more or less, to southwest corner  
28 of E. L. Sprott Tract.

29           THENCE N. 71° E., 2000 feet, more or less, with south line of  
30 Sprott Tract to southeast corner of Sprott Tract.

31           THENCE N. 19° W., 1650 feet, more or less, to northwest corner  
32 of R. L. Bigam Tract in north line of said Cunningham Survey,  
33 Abstract #198.

34           THENCE N. 71° E., 2800 feet, more or less, with north line of

1 Bigam Tract and north line of Cunningham Survey to point in  
2 Killeen-Salado Road.

3 THENCE easterly 3300 feet, more or less, with said road to  
4 southwest corner of J. A. Cox Survey, Abstract #189.

5 THENCE S. 71° E., 5000 feet, more or less, with south line of  
6 said Cox Survey and south line of J. J. Tomlinson Survey, Abstract  
7 #831, the southeast corner of said Tomlinson Survey in west line of  
8 Martha Smith Survey, Abstract #750, for corner of this.

9 THENCE N. 19° E., 660 feet, more or less, with said Smith's  
10 west line to northwest corner of Norris Tract.

11 THENCE S. 71° E., 4300 feet, more or less, to east line of said  
12 Smith Survey and west line of Albert Gallatin Survey, Abstract  
13 #363.

14 THENCE S. 19° W., 2300 feet, more or less, to southwest corner  
15 of said Gallatin Survey.

16 THENCE S. 71° E., 5280 feet, more or less, to southeast corner  
17 of said Gallatin Survey in west line of Eliz Dawson Survey, Abstract  
18 #258.

19 THENCE S. 19° W., 1300 feet, more or less, to most westerly  
20 southwest corner of said Dawson Survey.

21 THENCE S. 71° E., 4400 feet, more or less, to point in east  
22 line of said Dawson Survey, and west line of Uriah Hunt Survey,  
23 Abstract #401, said point being in road and in west line of M. D.  
24 Boydston Tract.

25 THENCE S. 19° W., 500 feet, more or less, to southwest corner  
26 of Boydston Tract at road intersection.

27 THENCE easterly 5000 feet, more or less, with said road to  
28 northwest corner of Vernon Ellis Tract, in east line of said Hunt  
29 Survey.

30 THENCE S. 19° W., 1600 feet, more or less, with Hunt east line  
31 to northwest corner of the J. M. Lane Survey, Abstract #531.

32 THENCE S. 71° E. to most northerly northeast corner of said  
33 Lane Survey.

34 THENCE S. 19° W. to ell corner of said Lane Survey.

1           THENCE S. 71° E. to most easterly northeast corner of said  
2 Lane Survey.

3           THENCE S. 19° W. to southeast corner of said Lane Survey and  
4 most southerly corner of P. G. Rucker Survey, Abstract #1119, in  
5 north line of T. J. Nabors Survey, Abstract #631.

6           THENCE N. 71° E. to northeast corner of said Nabors Survey.

7           THENCE S. 19° E. to west line of Bill Wendland Tract.

8           THENCE N. 19° E., 1600 feet, more or less, with Wendland west  
9 line to south line of John Hughes Survey, Abstract #379.

10          THENCE N. 71° W., 1000 feet, more or less, to southwest corner  
11 of said Hughes Survey.

12          THENCE N. 19° E. with said west line to Belton-Keyes Valley  
13 Road.

14          THENCE easterly 12,000 feet, more or less, with said road to  
15 its intersection with Highway #190, at Fred Hills.

16          THENCE easterly with said Highway #190, to west line of John  
17 Lewis Survey, Abstract #512, at W. T. Mills northwest corner.

18          THENCE S. 19° W., 1200 feet, more or less, to Mills southwest  
19 corner.

20          THENCE S. 71° E., 4600 feet, more or less, with south lines of  
21 Mills, Mrs. J. C. Varnell and Mrs. Katie Peeler Tracts to point in  
22 public road, southeast corner Peeler Tract for corner of this.

23          THENCE S. 19° W. with said road, 1200 feet, more or less, to  
24 southwest corner of H. C. Farrell Tract.

25          THENCE easterly 7200 feet, more or less, with road to  
26 southeast corner of F. R. Stegall Tract, in the west line of J. S.  
27 Huey Tract, in the east line of the J. Townsend Survey, Abstract  
28 #818.

29          THENCE S. 19° W., 1300 feet, more or less, to J. Townsend  
30 southeast corner in west line of J. P. Wallace Survey, Abstract  
31 #906.

32          THENCE S. 71° E., 17,500 feet, more or less, to east line of O.  
33 T. Tyler Survey, Abstract #20.

34          THENCE N. 19° E., 4000 feet, more or less, to northeast corner

1 of Tyler Survey on right bank of Leon River.

2 THENCE up said Leon River to the place of beginning.

3 ~~[It is determined and found by the Legislature that the~~  
4 ~~boundaries and field notes of said District form a closure, and if~~  
5 ~~any mistake is made in copying the field notes in the legislative~~  
6 ~~process, or otherwise a mistake is made in the field notes, it shall~~  
7 ~~in no way or manner affect the organization, existence and validity~~  
8 ~~of said District, and the right of said District to issue bonds or~~  
9 ~~refunding bonds, or to pay the principal and/or interest thereon,~~  
10 ~~and the right to assess, levy and collect taxes, or in any manner~~  
11 ~~affect the legality or operation of said District or its governing~~  
12 ~~body.]~~

13 SECTION 2.03. Section 1, Chapter 286, Acts of the 54th  
14 Legislature, Regular Session, 1955, is amended to read as follows:

15 Sec. 1. ~~[Under and pursuant to the provisions of Article 16,~~  
16 ~~Section 59, of the Constitution, a conservation and reclamation~~  
17 ~~district is hereby created and incorporated in Wharton County,~~  
18 ~~Texas, to be known as "Boling Municipal Water District,"~~  
19 ~~hereinafter sometimes referred to as the "District".]~~ The  
20 boundaries of the district ~~[thereof]~~ shall be as follows:

21 All the following tract of land comprising approximately 569  
22 acres or 0.89 (89/100ths) of a square mile and being in the Stephen  
23 F. Austin League, Abstract No. 2, Wharton County, Texas:

24 Beginning at the Northwest Corner of the Lalla Rookh  
25 Plantation;

26 Thence easterly along the north boundary line of the Lalla  
27 Rookh Plantation a distance of 3,127 feet to a corner;

28 Thence along a line bearing south 31 degrees 0 minutes west, a  
29 distance of approximately 2,225 feet to an intersection with the  
30 northeast corner of Block 34 of the Oil City Addition;

31 Thence along a line bearing south 41 degrees 45 minutes west,  
32 a distance of approximately 3,040 feet to a point on the north  
33 boundary line of the William Owens Estate Partition in the Lalla  
34 Rookh Plantation;

1           Thence along a line bearing north 59 degrees 9 minutes west, a  
2 distance of approximately 4,200 feet to a point on the west boundary  
3 line of the May and Martin Subdivision;

4           Thence northerly along the west boundary line of the May and  
5 Martin Subdivision, a distance of approximately 2,165 feet to a  
6 point on the south boundary line of the Duncan Addition, Boling,  
7 Texas;

8           Thence westerly along the south boundary line of the Duncan  
9 Addition, Boling, Texas, a distance of 91.2 feet to the southwest  
10 corner of the Duncan Addition, Boling, Texas;

11           Thence along a line bearing north 42 degrees 0 minutes east, a  
12 distance of approximately 4,680 feet to a point on the south  
13 boundary line of the R. E. Vineyard Subdivision;

14           Thence easterly along the south boundary line of the R. E.  
15 Vineyard Subdivision, a distance of approximately 785 feet to the  
16 west boundary line of the Bear Camp Plantation;

17           Thence southerly along the west boundary line of the Bear  
18 Camp Plantation a distance of approximately 1,585 feet to the  
19 northwest corner of the Lalla Rookh Plantation, the point of  
20 beginning.

21           SECTION 2.04. Section 2, Chapter 17, Acts of the 56th  
22 Legislature, 1st Called Session, 1959, is amended to read as  
23 follows:

24           Sec. 2. [~~Territory to Be Included in District. It is~~  
25 ~~expressly determined and found that all of the territory included~~  
26 ~~within the area of the District will be benefited by the works and~~  
27 ~~projects which are to be accomplished by the District pursuant to~~  
28 ~~the powers conferred by the provisions of Article XVI, Section 59 of~~  
29 ~~the Constitution of Texas.~~] The area of the District shall be all of  
30 that territory enclosed within the following metes and bounds  
31 description, to wit:

32           BEGINNING at the NW corner of H & TC Ry Co. Sur. 341, Block  
33 1-A, for the NW Cor. of this District;

34           THENCE east along the north boundary lines of Secs. 341, 340

1 and 339, to the northwest cor. of Sec. 338, H & TC Ry Co. Sur., Block  
2 1-A, same being the northeast cor. of Sec. 339, same Sur.;

3       THENCE north with the east boundary line of Sec. 334, same  
4 Sur., and the west boundary line of Sec. 335 of said Sur. to the  
5 northwest cor. of said Sec. 335, for cor.;

6       THENCE east with the north boundary line of Secs. 335 and 336  
7 of said H & TC Ry Co. Sur., to the northeast cor. of said Sec. 336,  
8 for cor. in the west line of R. E. Douglas Sur. #8;

9       THENCE north with the west line of said Douglas Sur. to the  
10 southwest cor. of Joe Lindley Sur. #1, for cor.;

11       THENCE east with south line of said Joe Lindley Sur. to its  
12 northeast cor. in the west line of W. H. Donaghe Sur. #9;

13       THENCE south, then east, then south, with said boundary line  
14 of said Donaghe Sur. #9 to the south line of Alfred Dorsey Sur.  
15 #474, same being the most southwesterly cor. of said W. H. Donaghe  
16 Sur. #9;

17       THENCE northeast with the line of said Alfred Dorsey Sur.  
18 #474 to the northeast cor. thereof;

19       THENCE southeast with the line of said Alfred Dorsey Sur. to  
20 the southeast cor. thereof, same being the northeast cor. of J. A.  
21 Monteith Sur. #1;

22       THENCE southwest with the line of said Alfred Dorsey Sur. to  
23 the northwest cor. of the M. C. Allen Sur. #1;

24       THENCE south with the west line of said M. C. Allen Sur. #1 to  
25 the southwest cor. thereof; same being the northwest cor. of H & TC  
26 Ry Sec. 347, Block 1-A;

27       THENCE east along the lines of said Sec. 347 and J. N. Lindley  
28 Sur. #2, to the northeast cor. of said J. N. Lindley Sur. #2 for cor.  
29 in the west boundary line of the Pedro Martinez Sur. #299;

30       THENCE southeast with the line of said Martinez Sur. to the  
31 northwest boundary line of J. M. Lindley Sur. #26, the southwest  
32 cor. of said Pedro Martinez Sur.;

33       THENCE west with the north boundary line of said J. M. Lindley  
34 Sur. #26, to the northeast cor. of J. M. Lindley Sur. #25, and the

1 northwest cor. of said J. M. Lindley Sur. #26;

2       THENCE southeast with the westerly lines of the J. M. Lindley  
3 Sur. #26, and the S. K. White Sur. #30, to the southwest cor. of said  
4 S. K. White Sur. in the northeast line of S. K. White Sur. #32;

5       THENCE northeast with the line of said S. K. White Sur. #30,  
6 and the north line of L. N. Taylor Sur. #6, to the west boundary line  
7 of Runnels County;

8       THENCE south along the lines of Coke and Runnels Counties,  
9 crossing L. N. Taylor Surs. 6, 5, 4, and 2 to the point where the  
10 south line of said L. N. Taylor Sur. #2 intersects the west boundary  
11 line of Runnels County for cor.;

12       THENCE west with the south boundary line of said L. N. Taylor  
13 Sur. #2 and the north boundary line of the H. A. Thomson Sur. #3, to  
14 the northwest cor. of the east 1/2 of said H. A. Thomson Sur.;

15       THENCE south with the west line of the east 1/2 of said H. A.  
16 Thomson Sur. to the southwest cor. of said east 1/2 of said H. A.  
17 Thomson Sur.;

18       THENCE west with the south line of the west 1/2 of said H. A.  
19 Thomson Sur. and the south line of B. B. B. & C. RR. Co. Sur. to the  
20 southwest cor. of said H. A. Thomson Sur., the northwest cor. of  
21 said R. R. Co. Sur. and being in the east boundary line of L. N.  
22 Taylor Sur. #1;

23       THENCE south with the east boundary line of said L. N. Taylor  
24 Sur. #1 and the west line of said RR. Co. Sur., and with the west  
25 boundary line of Benjamin B. Carr Sur., and the west boundary line  
26 of I & G. N. Ry. Co. Sur., and the east boundary line of S. F. 8339 to  
27 a point in said lines lying due east from the northeast cor. of J. W.  
28 Jackson Sur. #2 for cor.;

29       THENCE west pass the northeast cor. of said Jackson Sur., and  
30 along the north boundary line of same and the south boundary line of  
31 M. M. McCutchen Sur. #3, to the northeast cor. of J. N. Sterling  
32 Sur. #9, for cor.;

33       THENCE south with the west boundary line of said Jackson Sur.  
34 to the southwest cor. thereof in the northeast boundary line of Wm.

1 L. Coulson Sur. #326;  
2       THENCE northwest with the line of said Wm. L. Coulson Sur.  
3 326, to the northwest cor. thereof;  
4       THENCE southwest along the west boundary line of said Coulson  
5 Sur., and the east boundary line of J. P. Moore Sur. #327, to the  
6 southwest cor. of said Coulson Sur. and the southeast cor. of said  
7 Moore Sur. on the bank of the Colorado River;  
8       THENCE up said River with its meanders along the south  
9 boundary lines of said J. P. Moore Sur. 327 and J. P. Moore Sur. #328  
10 and the Nicholas Eastland Sur. #29, to the east boundary line of the  
11 KCM&O Railroad Right of Way;  
12       THENCE north with the east boundary line of said Right of Way  
13 to the north boundary line of Nicholas Eastland Sur. 330;  
14       THENCE west with the north boundary line of said Eastland  
15 Sur. #330, crossing said Railroad to the northwest cor. of said  
16 Eastland Sur. 330;  
17       THENCE south with the east line of Nicholas Eastland Sur.  
18 #331, and the west line of said Eastland Sur. 330 to the southeast  
19 cor. of said Eastland Sur. #331, and the southwest cor. of said  
20 Eastland Sur. #330, on the north bank of the Colorado River;  
21       THENCE west along the north bank of said River and the south  
22 lines of said Eastland Sur. #331, and the C&M R. R. Co. Sur. to the  
23 southwest cor. thereof on the north bank of the Colorado River;  
24       THENCE northeast along the east boundary line of the Lee J.  
25 Good Sur. #6, to the south boundary line of H & T.C. Ry Co. Sec. 453,  
26 for cor.;  
27       THENCE west with the south boundary line of said Sec. 453, to  
28 the southwest cor. thereof;  
29       THENCE north with the west lines of said Sec. 453 and Sec.  
30 #450, same Sur. to the southeast cor. of Sec. 432, same Sur., being  
31 the northeast cor. of Sec. 449, same Sur., and the northwest cor. of  
32 Sec. 450, same Sur.;  
33       THENCE west with the south line of Sec. 432, same Sur., and  
34 the north line of Sec. 449, same Sur. to the southwest cor. of said

1 Sec. 432;

2 THENCE north with the west line of said Sec. 432 to the  
3 northwest Cor. thereof and the southeast cor. of Sec. 422, same  
4 Sur.;

5 THENCE west with the south line of said Sec. 422, to the  
6 southwest cor. thereof, same being the northeast cor. of Sec. #434,  
7 same Sur.;

8 THENCE north along the west lines of Secs. 422 and 399, same  
9 Sur., to the southeast cor. of Sec. 387, same Sur.;

10 THENCE west with the north boundary line of Sec. 400, same  
11 Sur., to the southwest cor. of Sec. 387, same being the northeast  
12 cor. of Sec. 401, H&TC Ry. Co., Block 1-A, same Sur.;

13 THENCE north with the west line of said Sec. 387, to the  
14 northwest cor. thereof, being the northeast cor. of Sec. 386, same  
15 Sur.;

16 THENCE west with the north boundary line of said Sec. 386 and  
17 the south boundary line of Sec. 369, same Sur., to the southwest  
18 cor. of said Sec. 369, the northeast cor. of Sec. 385, H&TC RR. Co.  
19 Sur., Block 1-A: "Same Sur.";

20 THENCE north, along the west lines of Secs. 369, 354 and 341,  
21 same being the east lines of Secs. 370, 355 and 342, same Sur., H&TC  
22 RR. Co., Block 1-A, to the northwest cor. of said Sec. 341; the  
23 place of beginning.

24 SECTION 3.01. The following statutes are repealed:

25 (1) Chapter 108, Acts of the 59th Legislature, Regular  
26 Session, 1965;

27 (2) Sections 2 and 3, Chapter 563, Acts of the 63rd  
28 Legislature, Regular Session, 1973;

29 (3) Chapter 118, Acts of the 63rd Legislature, Regular  
30 Session, 1973;

31 (4) Chapter 182, Acts of the 60th Legislature, Regular  
32 Session, 1967;

33 (5) Chapter 638, Acts of the 61st Legislature, Regular  
34 Session, 1969;

- 1           (6) Sections 7(b), (c), and (d), Chapter 716, Acts of  
2 the 72nd Legislature, Regular Session, 1991;
- 3           (7) Chapter 298, Acts of the 58th Legislature, Regular  
4 Session, 1963;
- 5           (8) Sections 2 and 3, Chapter 165, Acts of the 63rd  
6 Legislature, Regular Session, 1973;
- 7           (9) Section 2, Chapter 1116, Acts of the 71st  
8 Legislature, Regular Session, 1989;
- 9           (10) Chapter 110, Acts of the 58th Legislature,  
10 Regular Session, 1963;
- 11          (11) Chapter 658, Acts of the 64th Legislature,  
12 Regular Session, 1975;
- 13          (12) Section 2, Chapter 70, Acts of the 72nd  
14 Legislature, Regular Session, 1991;
- 15          (13) Chapter 315, Acts of the 58th Legislature,  
16 Regular Session, 1963;
- 17          (14) Chapter 6, Acts of the 59th Legislature, Regular  
18 Session, 1965;
- 19          (15) Chapter 323, Acts of the 62nd Legislature,  
20 Regular Session, 1971;
- 21          (16) Sections 7 and 8, Chapter 1117, Acts of the 70th  
22 Legislature, Regular Session, 1987;
- 23          (17) Chapter 511, Acts of the 65th Legislature,  
24 Regular Session, 1977;
- 25          (18) Section 2, Chapter 535, Acts of the 66th  
26 Legislature, Regular Session, 1979;
- 27          (19) Section 2, Chapter 18, Acts of the 67th  
28 Legislature, Regular Session, 1981;
- 29          (20) Chapter 293, Acts of the 60th Legislature,  
30 Regular Session, 1967; and
- 31          (21) Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
32 14, 15, 16, 17, 18, 19, 20, and 21, Chapter 317, Acts of the 59th  
33 Legislature, Regular Session, 1965.

34           SECTION 3.02. The following statutes are repealed:

- 1           (1) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
2 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, and 26, Chapter 135, Acts  
3 of the 62nd Legislature, Regular Session, 1971;
- 4           (2) Chapter 1073, Acts of the 68th Legislature,  
5 Regular Session, 1983;
- 6           (3) Sections 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, and  
7 14, Chapter 882, Acts of the 78th Legislature, Regular Session,  
8 2003;
- 9           (4) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13,  
10 Chapter 1382, Acts of the 77th Legislature, Regular Session, 2001;
- 11           (5) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 696, Acts  
12 of the 62nd Legislature, Regular Session, 1971;
- 13           (6) Sections 1, 2, 3, 4(b), 5, 6, 7, and 8, Chapter  
14 947, Acts of the 69th Legislature, Regular Session, 1985;
- 15           (7) Sections 1, 2, 3, 4(b), 5, 6, 7, and 8, Chapter  
16 764, Acts of the 69th Legislature, Regular Session, 1985;
- 17           (8) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 687, Acts  
18 of the 65th Legislature, Regular Session, 1977;
- 19           (9) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 625, Acts  
20 of the 62nd Legislature, Regular Session, 1971;
- 21           (10) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 247,  
22 Acts of the 62nd Legislature, Regular Session, 1971;
- 23           (11) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 650,  
24 Acts of the 62nd Legislature, Regular Session, 1971;
- 25           (12) Sections 1.01, 1.02, 1.04, 1.05, 1.06, 1.07,  
26 1.08, 1.09, 1.10, 1.11, 1.12, and 1.13, Chapter 791, Acts of the  
27 74th Legislature, Regular Session, 1995;
- 28           (13) Sections 2.01, 2.02, 2.04, 2.05, 2.06, 2.07,  
29 2.08, 2.09, 2.10, 2.11, 2.12, and 2.13, Chapter 791, Acts of the  
30 74th Legislature, Regular Session, 1995;
- 31           (14) Sections 3.01, 3.02, 3.04, 3.05, 3.06, 3.07,  
32 3.08, 3.09, 3.10, 3.11, 3.12, and 3.13, Chapter 791, Acts of the  
33 74th Legislature, Regular Session, 1995;
- 34           (15) Sections 4.01, 4.02, 4.04, 4.05, 4.06, 4.07,

1 4.08, 4.09, 4.10, 4.11, 4.12, and 4.13, Chapter 791, Acts of the  
2 74th Legislature, Regular Session, 1995;

3 (16) Sections 5.01, 5.02, 5.04, 5.05, 5.06, 5.07,  
4 5.08, 5.09, 5.10, 5.11, 5.12, and 5.13, Chapter 791, Acts of the  
5 74th Legislature, Regular Session, 1995;

6 (17) Sections 6.01, 6.02, 6.04, 6.05, 6.06, 6.07,  
7 6.08, 6.09, 6.10, 6.11, 6.12, and 6.13, Chapter 791, Acts of the  
8 74th Legislature, Regular Session, 1995;

9 (18) Sections 7.01, 7.02, 7.04, 7.05, 7.06, 7.07,  
10 7.08, 7.09, 7.10, 7.11, 7.12, and 7.13, Chapter 791, Acts of the  
11 74th Legislature, Regular Session, 1995;

12 (19) Section 8.01, Chapter 791, Acts of the 74th  
13 Legislature, Regular Session, 1995;

14 (20) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 662,  
15 Acts of the 62nd Legislature, Regular Session, 1971;

16 (21) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 689,  
17 Acts of the 62nd Legislature, Regular Session, 1971;

18 (22) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 668,  
19 Acts of the 62nd Legislature, Regular Session, 1971;

20 (23) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 669,  
21 Acts of the 62nd Legislature, Regular Session, 1971;

22 (24) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 630,  
23 Acts of the 62nd Legislature, Regular Session, 1971;

24 (25) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 682,  
25 Acts of the 62nd Legislature, Regular Session, 1971;

26 (26) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, and 12,  
27 Chapter 865, Acts of the 69th Legislature, Regular Session, 1985;

28 (27) Chapter 63, Acts of the 43rd Legislature, 1st  
29 Called Session, 1933;

30 (28) Section 2, Chapter 873, Acts of the 71st  
31 Legislature, Regular Session, 1989;

32 (29) Sections 4 and 5, Chapter 1263, Acts of the 75th  
33 Legislature, Regular Session, 1997;

34 (30) Sections 2, 3, 4, and 5, Chapter 115, Acts of the

1 82nd Legislature, Regular Session, 2011;  
2 (31) Chapter 338, General Laws, Acts of the 44th  
3 Legislature, Regular Session, 1935;  
4 (32) Section 14, Article 4, Chapter 484, Acts of the  
5 68th Legislature, Regular Session, 1983;  
6 (33) Sections 3, 4, and 5, Chapter 493, Acts of the  
7 81st Legislature, Regular Session, 2009;  
8 (34) Chapter 1330, Acts of the 77th Legislature,  
9 Regular Session, 2001;  
10 (35) Sections 1, 2, 3, 4(f), 5, 6, 7, 8, 9A, 10, 11, 12,  
11 13, and 14, Chapter 1152, Acts of the 78th Legislature, Regular  
12 Session, 2003;  
13 (36) Chapter 1162, Acts of the 78th Legislature,  
14 Regular Session, 2003;  
15 (37) Section 4, Chapter 893, Acts of the 81st  
16 Legislature, Regular Session, 2009;  
17 (38) Part 7, Article 3, Chapter 966, Acts of the 77th  
18 Legislature, Regular Session, 2001;  
19 (39) Sections 1, 2, 3, 4, 5, 6, 6A, 7, 8, 9, 10, 12, 13,  
20 and 14, Chapter 180, Acts of the 72nd Legislature, Regular Session,  
21 1991;  
22 (40) Chapter 1362, Acts of the 77th Legislature,  
23 Regular Session, 2001;  
24 (41) Section 8, Chapter 521, Acts of the 81st  
25 Legislature, Regular Session, 2009;  
26 (42) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, and 11,  
27 Chapter 1387, Acts of the 77th Legislature, Regular Session, 2001;  
28 (43) Chapter 1343, Acts of the 77th Legislature,  
29 Regular Session, 2001;  
30 (44) Part 14, Article 3, Chapter 966, Acts of the 77th  
31 Legislature, Regular Session, 2001;  
32 (45) Article 3, Chapter 1307, Acts of the 77th  
33 Legislature, Regular Session, 2001;  
34 (46) Part 15, Article 3, Chapter 966, Acts of the 77th

1 Legislature, Regular Session, 2001;  
2           (47) Article 4, Chapter 1307, Acts of the 77th  
3 Legislature, Regular Session, 2001;  
4           (48) Chapter 1028, Acts of the 73rd Legislature,  
5 Regular Session, 1993;  
6           (49) Section 7, Chapter 38, Acts of the 77th  
7 Legislature, Regular Session, 2001;  
8           (50) Chapter 384, Acts of the 78th Legislature,  
9 Regular Session, 2003;  
10           (51) Chapter 1473, Acts of the 77th Legislature,  
11 Regular Session, 2001;  
12           (52) Section 3, Chapter 858, Acts of the 79th  
13 Legislature, Regular Session, 2005;  
14           (53) Section 3, Chapter 1088, Acts of the 79th  
15 Legislature, Regular Session, 2005;  
16           (54) Sections 1, 2, 3(b), 4, 5, 6, 7, 8, 9, 10, 11, 12,  
17 13, 14, 15, 16, 17, 18, 19, and 20, Chapter 1312, Acts of the 77th  
18 Legislature, Regular Session, 2001;  
19           (55) Section 2, Chapter 1322, Acts of the 79th  
20 Legislature, Regular Session, 2005;  
21           (56) Sections 3 and 4, Chapter 381, Acts of the 81st  
22 Legislature, Regular Session, 2009;  
23           (57) Sections 1, 3, 4, 5, 5a, 6, 7, 8, 9, 10, 11, 12,  
24 13, 14, and 15, Chapter 18, Acts of the 55th Legislature, 1st Called  
25 Session, 1957;  
26           (58) Section 5, Chapter 300, Acts of the 57th  
27 Legislature, Regular Session, 1961;  
28           (59) Section 2, Chapter 1056, Acts of the 68th  
29 Legislature, Regular Session, 1983;  
30           (60) Sections 2, 2A, 3, 4, 4(a), and 5, Chapter 286,  
31 Acts of the 54th Legislature, Regular Session, 1955;  
32           (61) Section 2, Chapter 143, Acts of the 55th  
33 Legislature, Regular Session, 1957;  
34           (62) Chapter 418, Acts of the 52nd Legislature,

1 Regular Session, 1951;

2 (63) Section 2, Chapter 186, Acts of the 58th  
3 Legislature, Regular Session, 1963;

4 (64) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
5 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25, Chapter 261, Acts  
6 of the 61st Legislature, Regular Session, 1969;

7 (65) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
8 14, 15, 16, 17, 19, and 20, Chapter 101, Acts of the 58th  
9 Legislature, Regular Session, 1963;

10 (66) Section 2, Chapter 786, Acts of the 65th  
11 Legislature, Regular Session, 1977;

12 (67) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
13 14, 15, 16, 17, 18, 19, and 20, Chapter 17, Acts of the 56th  
14 Legislature, 1st Called Session, 1959;

15 (68) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
16 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, Chapter 598, Acts of  
17 the 59th Legislature, Regular Session, 1965; and

18 (69) Chapter 36, Acts of the 64th Legislature, Regular  
19 Session, 1975.

20 SECTION 4.01. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.  
21 This Act is enacted under Section 43, Article III, Texas  
22 Constitution. This Act is intended as a codification only, and no  
23 substantive change in the law is intended by this Act. This Act  
24 does not increase or decrease the territory of any special district  
25 of the state as those boundaries exist on the effective date of this  
26 Act.

27 SECTION 4.02. PRESERVATION OF VALIDATION MADE BY PREVIOUS  
28 LAW. (a) The repeal of a law, including a validating law, by this  
29 Act does not remove, void, or otherwise affect in any manner a  
30 validation under the repealed law. The validation is preserved and  
31 continues to have the same effect that it would have if the law were  
32 not repealed.

33 (b) Subsection (a) of this section does not diminish the  
34 saving provisions prescribed by Section 311.031, Government Code.

1           SECTION 4.03.   EFFECTIVE DATE.   This Act takes effect April  
2 1, 2015.

1 APPENDIX B

2 CHAPTER 311. CODE CONSTRUCTION ACT

3 (current as of end of 83rd Legislature, 3rd Called  
4 Session, 2013)

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 311.001. SHORT TITLE. This chapter may be cited as the  
7 Code Construction Act.

8 Sec. 311.002. APPLICATION. This chapter applies to:

9 (1) each code enacted by the 60th or a subsequent  
10 legislature as part of the state's continuing statutory revision  
11 program;

12 (2) each amendment, repeal, revision, and reenactment  
13 of a code or code provision by the 60th or a subsequent legislature;

14 (3) each repeal of a statute by a code; and

15 (4) each rule adopted under a code.

16 Sec. 311.003. RULES NOT EXCLUSIVE. The rules provided in  
17 this chapter are not exclusive but are meant to describe and clarify  
18 common situations in order to guide the preparation and  
19 construction of codes.

20 Sec. 311.004. CITATION OF CODES. A code may be cited by its  
21 name preceded by the specific part concerned. Examples of  
22 citations are:

23 (1) Title 1, Business & Commerce Code;

24 (2) Chapter 5, Business & Commerce Code;

25 (3) Section 9.304, Business & Commerce Code;

26 (4) Section 15.06(a), Business & Commerce Code; and

27 (5) Section 17.18(b)(1)(B)(ii), Business & Commerce  
28 Code.

29 Sec. 311.005. GENERAL DEFINITIONS. The following  
30 definitions apply unless the statute or context in which the word or  
31 phrase is used requires a different definition:

32 (1) "Oath" includes affirmation.

33 (2) "Person" includes corporation, organization,  
34 government or governmental subdivision or agency, business trust,

1 estate, trust, partnership, association, and any other legal  
2 entity.

3 (3) "Population" means the population shown by the  
4 most recent federal decennial census.

5 (4) "Property" means real and personal property.

6 (5) "Rule" includes regulation.

7 (6) "Signed" includes any symbol executed or adopted  
8 by a person with present intention to authenticate a writing.

9 (7) "State," when referring to a part of the United  
10 States, includes any state, district, commonwealth, territory, and  
11 insular possession of the United States and any area subject to the  
12 legislative authority of the United States of America.

13 (8) "Swear" includes affirm.

14 (9) "United States" includes a department, bureau, or  
15 other agency of the United States of America.

16 (10) "Week" means seven consecutive days.

17 (11) "Written" includes any representation of words,  
18 letters, symbols, or figures.

19 (12) "Year" means 12 consecutive months.

20 (13) "Includes" and "including" are terms of  
21 enlargement and not of limitation or exclusive enumeration, and use  
22 of the terms does not create a presumption that components not  
23 expressed are excluded.

24 Sec. 311.006. INTERNAL REFERENCES. In a code:

25 (1) a reference to a title, chapter, or section  
26 without further identification is a reference to a title, chapter,  
27 or section of the code; and

28 (2) a reference to a subtitle, subchapter, subsection,  
29 subdivision, paragraph, or other numbered or lettered unit without  
30 further identification is a reference to a unit of the next larger  
31 unit of the code in which the reference appears.

32 SUBCHAPTER B. CONSTRUCTION OF WORDS AND PHRASES

33 Sec. 311.011. COMMON AND TECHNICAL USAGE OF WORDS. (a)  
34 Words and phrases shall be read in context and construed according

1 to the rules of grammar and common usage.

2 (b) Words and phrases that have acquired a technical or  
3 particular meaning, whether by legislative definition or  
4 otherwise, shall be construed accordingly.

5 Sec. 311.012. TENSE, NUMBER, AND GENDER. (a) Words in the  
6 present tense include the future tense.

7 (b) The singular includes the plural and the plural includes  
8 the singular.

9 (c) Words of one gender include the other genders.

10 Sec. 311.013. AUTHORITY AND QUORUM OF PUBLIC BODY. (a) A  
11 grant of authority to three or more persons as a public body confers  
12 the authority on a majority of the number of members fixed by  
13 statute.

14 (b) A quorum of a public body is a majority of the number of  
15 members fixed by statute.

16 Sec. 311.014. COMPUTATION OF TIME. (a) In computing a  
17 period of days, the first day is excluded and the last day is  
18 included.

19 (b) If the last day of any period is a Saturday, Sunday, or  
20 legal holiday, the period is extended to include the next day that  
21 is not a Saturday, Sunday, or legal holiday.

22 (c) If a number of months is to be computed by counting the  
23 months from a particular day, the period ends on the same numerical  
24 day in the concluding month as the day of the month from which the  
25 computation is begun, unless there are not that many days in the  
26 concluding month, in which case the period ends on the last day of  
27 that month.

28 Sec. 311.015. REFERENCE TO A SERIES. If a statute refers to  
29 a series of numbers or letters, the first and last numbers or  
30 letters are included.

31 Sec. 311.016. "MAY," "SHALL," "MUST," ETC. The following  
32 constructions apply unless the context in which the word or phrase  
33 appears necessarily requires a different construction or unless a  
34 different construction is expressly provided by statute:

1 (1) "May" creates discretionary authority or grants  
2 permission or a power.

3 (2) "Shall" imposes a duty.

4 (3) "Must" creates or recognizes a condition  
5 precedent.

6 (4) "Is entitled to" creates or recognizes a right.

7 (5) "May not" imposes a prohibition and is synonymous  
8 with "shall not."

9 (6) "Is not entitled to" negates a right.

10 (7) "Is not required to" negates a duty or condition  
11 precedent.

12 SUBCHAPTER C. CONSTRUCTION OF STATUTES

13 Sec. 311.021. INTENTION IN ENACTMENT OF STATUTES. In  
14 enacting a statute, it is presumed that:

15 (1) compliance with the constitutions of this state  
16 and the United States is intended;

17 (2) the entire statute is intended to be effective;

18 (3) a just and reasonable result is intended;

19 (4) a result feasible of execution is intended; and

20 (5) public interest is favored over any private  
21 interest.

22 Sec. 311.022. PROSPECTIVE OPERATION OF STATUTES. A statute  
23 is presumed to be prospective in its operation unless expressly  
24 made retrospective.

25 Sec. 311.023. STATUTE CONSTRUCTION AIDS. In construing a  
26 statute, whether or not the statute is considered ambiguous on its  
27 face, a court may consider among other matters the:

28 (1) object sought to be attained;

29 (2) circumstances under which the statute was enacted;

30 (3) legislative history;

31 (4) common law or former statutory provisions,  
32 including laws on the same or similar subjects;

33 (5) consequences of a particular construction;

34 (6) administrative construction of the statute; and

1           (7) title (caption), preamble, and emergency  
2 provision.

3           Sec. 311.024. HEADINGS. The heading of a title, subtitle,  
4 chapter, subchapter, or section does not limit or expand the  
5 meaning of a statute.

6           Sec. 311.025. IRRECONCILABLE STATUTES AND AMENDMENTS. (a)  
7 Except as provided by Section 311.031(d), if statutes enacted at  
8 the same or different sessions of the legislature are  
9 irreconcilable, the statute latest in date of enactment prevails.

10           (b) Except as provided by Section 311.031(d), if amendments  
11 to the same statute are enacted at the same session of the  
12 legislature, one amendment without reference to another, the  
13 amendments shall be harmonized, if possible, so that effect may be  
14 given to each. If the amendments are irreconcilable, the latest in  
15 date of enactment prevails.

16           (c) In determining whether amendments are irreconcilable,  
17 text that is reenacted because of the requirement of Article III,  
18 Section 36, of the Texas Constitution is not considered to be  
19 irreconcilable with additions or omissions in the same text made by  
20 another amendment. Unless clearly indicated to the contrary, an  
21 amendment that reenacts text in compliance with that constitutional  
22 requirement does not indicate legislative intent that the reenacted  
23 text prevail over changes in the same text made by another  
24 amendment, regardless of the relative dates of enactment.

25           (d) In this section, the date of enactment is the date on  
26 which the last legislative vote is taken on the bill enacting the  
27 statute.

28           (e) If the journals or other legislative records fail to  
29 disclose which of two or more bills in conflict is latest in date of  
30 enactment, the date of enactment of the respective bills is  
31 considered to be, in order of priority:

32                 (1) the date on which the last presiding officer  
33 signed the bill;

34                 (2) the date on which the governor signed the bill; or

1           (3) the date on which the bill became law by operation  
2 of law.

3           Sec. 311.026. SPECIAL OR LOCAL PROVISION PREVAILS OVER  
4 GENERAL. (a) If a general provision conflicts with a special or  
5 local provision, the provisions shall be construed, if possible, so  
6 that effect is given to both.

7           (b) If the conflict between the general provision and the  
8 special or local provision is irreconcilable, the special or local  
9 provision prevails as an exception to the general provision, unless  
10 the general provision is the later enactment and the manifest  
11 intent is that the general provision prevail.

12          Sec. 311.027. STATUTORY REFERENCES. Unless expressly  
13 provided otherwise, a reference to any portion of a statute or rule  
14 applies to all reenactments, revisions, or amendments of the  
15 statute or rule.

16          Sec. 311.028. UNIFORM CONSTRUCTION OF UNIFORM ACTS. A  
17 uniform act included in a code shall be construed to effect its  
18 general purpose to make uniform the law of those states that enact  
19 it.

20          Sec. 311.029. ENROLLED BILL CONTROLS. If the language of  
21 the enrolled bill version of a statute conflicts with the language  
22 of any subsequent printing or reprinting of the statute, the  
23 language of the enrolled bill version controls.

24          Sec. 311.030. REPEAL OF REPEALING STATUTE. The repeal of a  
25 repealing statute does not revive the statute originally repealed  
26 nor impair the effect of any saving provision in it.

27          Sec. 311.031. SAVING PROVISIONS. (a) Except as provided by  
28 Subsection (b), the reenactment, revision, amendment, or repeal of  
29 a statute does not affect:

30           (1) the prior operation of the statute or any prior  
31 action taken under it;

32           (2) any validation, cure, right, privilege,  
33 obligation, or liability previously acquired, accrued, accorded,  
34 or incurred under it;

1           (3) any violation of the statute or any penalty,  
2 forfeiture, or punishment incurred under the statute before its  
3 amendment or repeal; or

4           (4) any investigation, proceeding, or remedy  
5 concerning any privilege, obligation, liability, penalty,  
6 forfeiture, or punishment; and the investigation, proceeding, or  
7 remedy may be instituted, continued, or enforced, and the penalty,  
8 forfeiture, or punishment imposed, as if the statute had not been  
9 repealed or amended.

10          (b) If the penalty, forfeiture, or punishment for any  
11 offense is reduced by a reenactment, revision, or amendment of a  
12 statute, the penalty, forfeiture, or punishment, if not already  
13 imposed, shall be imposed according to the statute as amended.

14          (c) The repeal of a statute by a code does not affect an  
15 amendment, revision, or reenactment of the statute by the same  
16 legislature that enacted the code. The amendment, revision, or  
17 reenactment is preserved and given effect as part of the code  
18 provision that revised the statute so amended, revised, or  
19 reenacted.

20          (d) If any provision of a code conflicts with a statute  
21 enacted by the same legislature that enacted the code, the statute  
22 controls.

23          Sec. 311.032. SEVERABILITY OF STATUTES. (a) If any statute  
24 contains a provision for severability, that provision prevails in  
25 interpreting that statute.

26          (b) If any statute contains a provision for  
27 nonseverability, that provision prevails in interpreting that  
28 statute.

29          (c) In a statute that does not contain a provision for  
30 severability or nonseverability, if any provision of the statute or  
31 its application to any person or circumstance is held invalid, the  
32 invalidity does not affect other provisions or applications of the  
33 statute that can be given effect without the invalid provision or  
34 application, and to this end the provisions of the statute are

1 severable.

2           Sec. 311.034. WAIVER OF SOVEREIGN IMMUNITY. In order to  
3 preserve the legislature's interest in managing state fiscal  
4 matters through the appropriations process, a statute shall not be  
5 construed as a waiver of sovereign immunity unless the waiver is  
6 effected by clear and unambiguous language. In a statute, the use  
7 of "person," as defined by Section 311.005 to include governmental  
8 entities, does not indicate legislative intent to waive sovereign  
9 immunity unless the context of the statute indicates no other  
10 reasonable construction. Statutory prerequisites to a suit,  
11 including the provision of notice, are jurisdictional requirements  
12 in all suits against a governmental entity.

APPENDIX C  
DISPOSITION TABLE  
SPECIAL DISTRICT LOCAL LAWS CODE

4	43rd Leg., 1st C.S., Ch. 63	
5	Sec. 1 (part)	8504.001
6	(part)	8504.002
7	(part)	8504.101
8	(part)	8504.103
9	(part)	8504.252
10	Sec. 2	8504.003
11	Sec. 3 (part)	8504.051
12	(part)	8504.052
13	(part)	RN 8504.052
14	(part)	8504.053
15	(part)	8504.054
16	(part)	8504.057
17	(part)	RN 8504.057
18	Sec. 4	8504.056
19	Sec. 7	8504.055
20	Sec. 13A-1	8504.104
21	Sec. 13A-2	8504.105
22	Sec. 13A-3	8504.109
23	Sec. 13A-4	8504.251
24	Sec. 13A-5	8504.107
25	Sec. 13A-6	8504.108
26	Sec. 13B(a)	8504.203
27	(b)	8504.204
28	(c)	8504.205
29	(d)	8504.206
30	(e)	8504.207
31	(f)	8504.208
32	(g)	8504.209
33	(h)	8504.201
34	Sec. 13C(a)(1)	8504.151
35	(2)	8504.001
36	(3)	8504.151
37	(b)	8504.152
38	(c)	8504.153
39	(d)	8504.153
40	(e)	8504.154
41	(f)	8504.154
42	(g)	8504.154
43	Sec. 14	8504.110
44	Sec. 15 (part)	8504.004
45	(part)	8504.102
46	(part)	8504.106
47	Sec. 16	8504.301
48	Sec. 20	8504.302
49	Sec. 22 (part)	8504.303
50	(part)	8504.304
51	Sec. 23 (part)	8504.305
52	(part)	8504.306
53	(part)	RN 8504.306
54	Sec. 25	8504.307
55	Sec. 26	8504.308
56	Sec. 30	RN 8504.308
57	44th Leg., R.S., G.L., Ch. 338	
58	Sec. 1 (part)	8505.001
59	(part)	8505.002
60	(part)	RN 8505.002
61	(part)	8505.003
62	(part)	8505.101
63	(part)	8505.156
64	Sec. 2 (part)	8505.101
65	(a)	8505.102
66	(b)	8505.103

1	(c)	. . . . .	8505.104
2	(d)	. . . . .	8505.105
3	(e)	. . . . .	8505.106
4	(f)	. . . . .	8505.106
5	(g)	. . . . .	8505.107
6	(h)	. . . . .	8505.108
7	(i)	. . . . .	8505.109
8	(j)	. . . . .	RN 8505.115
9	(k)	. . . . .	RN 8505.115
10	(l)	. . . . .	8505.110
11	(m)	. . . . .	8505.057
12	(n)	. . . . .	8505.111
13	(o)	(part)	8505.201
14		(part)	RN 8505.201
15	(p)	. . . . .	8505.101
16		(part)	8505.114
17	Sec. 3	. . . . .	8505.114
18	Sec. 4(a)	(part)	8505.001
19		(part)	8505.051
20		(part)	8505.052
21		(part)	RN 8505.052
22		(part)	RN 8505.060
23	(b)	(part)	8505.053
24		(part)	8505.054
25		(part)	8505.055
26		(part)	RN 8505.060
27	(c)	(part)	8505.056
28		(part)	RN 8505.056
29		(part)	RN 8505.060
30	Sec. 5	. . . . .	8505.057
31	Sec. 6	(part)	8505.058
32		(part)	8505.151
33	Sec. 7	(part)	8505.059
34		(part)	8505.152
35		(part)	8505.153
36		(part)	RN 8505.153
37	Sec. 8	. . . . .	8505.060
38	Sec. 9	(part)	8505.154
39		(part)	8505.155
40		(part)	8505.202
41	Sec. 10	. . . . .	8505.203
42	Sec. 11	(part)	8505.204
43		(part)	RN 8505.204
44		(part)	8505.205
45		(part)	8505.206
46		(part)	8505.207
47		(part)	8505.208
48		(part)	RN 8505.210
49	Sec. 12	. . . . .	RN 8505.210
50	Sec. 13	. . . . .	8505.113
51	Sec. 13A	. . . . .	8505.112
52	Sec. 13-b	. . . . .	8505.112
53	Sec. 14	. . . . .	8505.209
54	Sec. 15	. . . . .	8505.107
55	Sec. 16	. . . . .	8505.115
56	Sec. 17	. . . . .	8505.210
57	Sec. 17-a	. . . . .	RN 8505.210
58	Sec. 17-b	. . . . .	RN 8505.210
59	Sec. 17-c	. . . . .	RN 8505.210
60	Sec. 18	. . . . .	RN 8505.004
61	Sec. 19	. . . . .	8505.004
62	Sec. 19A	. . . . .	8505.004
63	Sec. 20	. . . . .	RN 8505.210
64	Sec. 20A	. . . . .	RN 8505.210
65	Sec. 21	. . . . .	RN 8505.210
66	Sec. 21A	. . . . .	RN 8505.210
67	Sec. 21-b	. . . . .	RN 8505.210
68	Sec. 22	. . . . .	RN 8505.210
69	Sec. 22A	. . . . .	RN 8505.210

1	Sec. 22-b . . . . .	RN 8505.210
2	52nd Leg., R.S., Ch. 418	
3	Sec. 1 (part) . . . . .	9019.001
4	(part) . . . . .	9019.002
5	(part) . . . . .	RN 9019.002
6	(part) . . . . .	9019.003
7	(part) . . . . .	9019.101
8	Sec. 1a . . . . .	9019.003
9	Sec. 2 (part) . . . . .	9019.051
10	(part) . . . . .	9019.052
11	(part) . . . . .	RN 9019.052
12	(part) . . . . .	RN 9019.052
13	Sec. 3 (part) . . . . .	9019.101
14	(part) . . . . .	9019.105
15	(part) . . . . .	9019.151
16	(part) . . . . .	9019.206
17	(part) . . . . .	RN 9019.206
18	Sec. 4 . . . . .	9019.102
19	Sec. 5 (part) . . . . .	9019.103
20	(part) . . . . .	9019.104
21	Sec. 6 (part) . . . . .	9019.201
22	(part) . . . . .	9019.202
23	(part) . . . . .	9019.203
24	Sec. 7 (part) . . . . .	9019.204
25	(part) . . . . .	9019.205
26	Sec. 8 . . . . .	RN 9019.206
27	54th Leg., R.S., Ch. 286	
28	Sec. 1 (part) . . . . .	9018.001
29	(part) . . . . .	9018.002
30	Sec. 2 (part) . . . . .	9018.151
31	(part) . . . . .	RN 9018.151
32	Sec. 2A . . . . .	9018.152
33	Sec. 3 (part) . . . . .	9018.101
34	(part) . . . . .	RN 9018.101
35	Sec. 4 (part) . . . . .	9018.003
36	(part) . . . . .	9018.201
37	(part) . . . . .	RN 9018.201
38	Sec. 4(a) (part) . . . . .	9018.052
39	(a) . . . . .	9018.053
40	(b) . . . . .	9018.054
41	(c) . . . . .	9018.054
42	(d) (part) . . . . .	9018.055
43	(part) . . . . .	9018.056
44	(e) . . . . .	9018.057
45	(f) . . . . .	9018.058
46	Sec. 5 (part) . . . . .	9018.002
47	(part) . . . . .	9018.003
48	55th Leg., R.S., Ch. 143	
49	Sec. 2 . . . . .	RN 9018.201
50	55th Leg., 1st C.S., Ch. 18	
51	Sec. 1 (part) . . . . .	9013.001
52	(part) . . . . .	9013.002
53	(part) . . . . .	RN 9013.002
54	(part) . . . . .	9013.003
55	(part) . . . . .	9013.051
56	(part) . . . . .	9013.151
57	Sec. 2 (part) . . . . .	9013.003
58	(part) . . . . .	9013.051
59	Sec. 3 (part) . . . . .	9013.003
60	(part) . . . . .	9013.203
61	(part) . . . . .	9013.253
62	Sec. 4 . . . . .	9013.153
63	Sec. 5 . . . . .	9013.152
64	Sec. 5a . . . . .	9013.155
65	Sec. 6 (part) . . . . .	9013.052

1		(part)	9013.201
2		(part)	RN 9013.201
3		(part)	RN 9013.253
4	Sec. 7		RN 9013.253
5	Sec. 8	(part)	9013.204
6		(part)	9013.205
7		(part)	9013.251
8		(part)	RN 9013.251
9		(part)	RN 9013.253
10	Sec. 9	(part)	9013.103
11		(part)	RN 9013.103
12		(part)	9013.104
13		(part)	RN 9013.104
14		(part)	9013.154
15		(part)	9013.206
16		(part)	9013.207
17		(part)	9013.252
18		(part)	RN 9013.253
19	Sec. 10	(part)	9013.202
20		(part)	RN 9013.202
21	Sec. 11		RN 9013.253
22	Sec. 12		RN 9013.253
23	Sec. 13		9013.004
24	Sec. 14	(part)	9013.101
25		(part)	9013.102
26		(part)	RN 9013.104
27	Sec. 15		RN 9013.253
28	56th Leg., 1st C.S., Ch. 17		
29	Sec. 1	(part)	9032.001
30		(part)	9032.002
31		(part)	RN 9032.002
32		(part)	9032.051
33		(part)	9032.151
34		(part)	RN 9032.151
35	Sec. 2	(part)	9032.003
36	Sec. 3		9032.154
37	Sec. 4		9032.153
38	Sec. 5		9032.152
39	Sec. 6	(part)	9032.052
40		(part)	RN 9032.252
41	Sec. 7		9032.155
42	Sec. 8	(part)	9032.251
43		(part)	RN 9032.251
44	Sec. 9	(part)	9032.202
45		(part)	9032.203
46		(part)	RN 9032.203
47	Sec. 10		9032.252
48	Sec. 11	(part)	9032.201
49		(part)	RN 9032.201
50	Sec. 12		RN 9032.252
51	Sec. 13		RN 9032.252
52	Sec. 14		9032.159
53	Sec. 15	(part)	9032.004
54		(part)	9032.156
55	Sec. 16	(part)	9032.101
56		(part)	RN 9032.101
57		(part)	9032.102
58		(part)	9032.103
59		(part)	RN 9032.103
60		(part)	9032.104
61		(part)	9032.105
62		(part)	9032.106
63		(part)	RN 9032.106
64		(part)	RN 9032.112
65	Sec. 17	(part)	9032.107
66		(part)	9032.108
67		(part)	9032.109
68		(part)	9032.110

1		(part)	RN 9032.112
2	Sec. 18	(part)	9032.111
3		(part)	9032.157
4		(part)	9032.158
5	Sec. 19		9032.112
6	Sec. 20		RN 9032.252
7	57th Leg., R.S., Ch. 300		
8	Sec. 5		RN 9013.253
9	58th Leg., R.S., Ch. 101		
10	Sec. 1	(part)	9029.001
11		(part)	9029.002
12		(part)	9029.003
13	Sec. 3		9029.003
14	Sec. 4		9029.004
15	Sec. 5	(part)	9029.101
16		(part)	RN 9029.101
17	Sec. 6	(part)	9029.151
18		(part)	RN 9029.203
19	Sec. 7	(part)	9029.102
20		(part)	9029.201
21		(part)	RN 9029.201
22	Sec. 8		RN 9029.106
23	Sec. 9	(part)	9029.103
24		(part)	9029.104
25	Sec. 10	(part)	9029.051
26		(part)	9029.052
27		(part)	9029.053
28		(part)	9029.054
29		(part)	RN 9029.054
30	Sec. 11		9029.105
31	Sec. 12	(part)	9029.156
32		(part)	RN 9029.201
33		(part)	9029.202
34		(part)	RN 9029.203
35	Sec. 13		9029.157
36	Sec. 14	(part)	9029.152
37		(part)	9029.153
38		(part)	9029.154
39		(part)	RN 9029.154
40	Sec. 15	(part)	9029.003
41		(part)	9029.155
42		(part)	9029.203
43	Sec. 16	(part)	9029.003
44		(part)	RN 9029.003
45		(part)	9029.006
46	Sec. 17	(part)	9029.005
47		(part)	RN 9029.005
48		(part)	RN 9029.203
49	Sec. 19		9029.106
50	Sec. 20		9029.004
51	58th Leg., R.S., Ch. 110		
52	Sec. 1	(part)	1109.002
53		(part)	1109.004
54		(part)	1109.102
55	Sec. 2	(part)	RN 1109.004
56		(part)	1109.101
57		(part)	1109.104
58	Sec. 3	(part)	1109.251
59		(part)	RN 1109.251
60		(part)	1109.252
61		(part)	RN 1109.253
62	Sec. 4(a)	(part)	1109.201
63		(part)	1109.202
64		(part)	1109.203
65		(part)	RN 1109.203
66		(part)	1109.204

1		(part)	1109.206
2		(part)	RN 1109.209
3	(b)	(part)	1109.206
4		(part)	RN 1109.206
5	(c)		1109.205
6	(d)		1109.208
7	(e)	(part)	1109.003
8		(part)	1109.209
9	(f)	(part)	1109.251
10		(part)	1109.253
11		(part)	RN 1109.253
12	(g)	(part)	1109.207
13		(part)	RN 1109.207
14	Sec. 5		RN 1109.308
15	Sec. 6 (a)	(part)	1109.051
16		(part)	RN 1109.051
17		(part)	1109.052
18		(part)	1109.053
19		(part)	1109.054
20		(part)	1109.056
21		(part)	1109.103
22		(part)	1109.105
23		(part)	1109.115
24	(b)	(part)	1109.057
25		(part)	1109.058
26		(part)	1109.059
27	(c)		1109.060
28	(d)	(part)	1109.060
29		(part)	1109.061
30	(e)	(part)	1109.107
31		(part)	1109.110
32		(part)	RN 1109.110
33		(part)	1109.111
34	(f)		RN 1109.253
35	(g)	(part)	1109.112
36		(part)	1109.114
37	(h)	(part)	1109.055
38		(part)	1109.062
39		(part)	RN 1109.062
40	Sec. 7	(part)	1109.106
41		(part)	1109.155
42	Sec. 8		1109.154
43	Sec. 9(a)		1109.156
44	(b)	(part)	1109.151
45		(part)	1109.152
46		(part)	1109.153
47	Sec. 10		1109.108
48	Sec. 11	(part)	1109.157
49		(part)	1109.158
50	Sec. 12		RN 1109.062
51	Sec. 14	(part)	1109.101
52		(part)	1109.102
53		(part)	RN 1109.253
54	Sec. 15(a)	(part)	1109.113
55		(part)	RN 1109.113
56	(b)		1109.113
57	Sec. 16		1109.109
58	Sec. 17		RN 1109.209
59	Sec. 18		RN 1109.308
60	Sec. 19		RN 1109.308
61	Sec. 21		1109.159
62	Sec. 22(a)		1109.301
63	(b)	(part)	1109.301
64		(part)	RN 1109.301
65	(c)	(part)	1109.302
66		(part)	1109.303
67	(d)	(part)	1109.304
68		(part)	1109.305
69	(e)		1109.307

1	(f)	. . . . .	1109.305
2	(g)	. . . . .	1109.304
3	(h)	. . . . .	1109.307
4	(i)	. . . . .	1109.308
5	(j)	. . . . .	1109.308
6	(k)	. . . . .	1109.306
7	(l)	. . . . .	1109.306
8	58th Leg., R.S., Ch. 186		
9	Sec. 2	. . . . . RN	9019.206
10	58th Leg., R.S., Ch. 298		
11	Sec. 1 (part)	. . . . .	1107.002
12	(part)	. . . . .	1107.003
13	(part)	. . . . .	1107.068
14	Sec. 2 (part)	. . . . . RN	1107.003
15	(part)	. . . . .	1107.101
16	Sec. 3(a) (part)	. . . . .	1107.251
17	(part)	. . . . .	1107.252
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