

## **BILL ANALYSIS**

Senate Research Center  
77R12768 MI-F

C.S.H.B. 3194  
By: Howard (Brown, J. E. "Buster")  
Natural Resources  
5/10/2001  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Levee Improvement Districts (LIDs) are political subdivisions of the state that are created to construct and maintain levees and other improvements along rivers, creeks, and streams and to provide for the proper drainage of reclaimed land. LIDs may buy property, make loans, and issue bonds secured by ad valorem taxation. Fort Bend County Levee Improvement District Number 16 is composed of approximately 2321 acres of property owned by the Texas Department of Transportation (TxDOT) and is intended to enhance the value of the property before the General Land Office offers it for sale on behalf of TxDOT. C.S.H.B. 3194 creates Fort Bend County Levee Improvement District Number 16.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

#### ARTICLE 1. GENERAL PROVISIONS

SECTION 1.01. CREATION. Sets forth provisions relating to the creation of the Fort Bend County Levee Improvement District Number 16 (district).

SECTION 1.02. DEFINITIONS. Defines "board," "commissioners court," "county," and "district."

SECTION 1.03. BOUNDARIES. Sets forth the boundaries of the district.

#### ARTICLE 2. ADMINISTRATIVE PROVISIONS

SECTION 2.01. BOARD. Sets forth provisions relating to the board of directors of the district (board).

SECTION 2.02. DIRECTOR ELIGIBILITY. Sets forth provisions relating to eligibility to be a director of the board.

SECTION 2.03. APPOINTMENT OF INITIAL DIRECTORS. Sets forth provisions relating to the appointment of initial directors of the board.

SECTION 2.04. APPOINTMENT OF PERMANENT DIRECTORS. Sets forth provisions relating to the appointment of permanent directors of the board and the length of their terms of office.

SECTION 2.05. MEETINGS AND BOARD ACTIONS. Sets forth provisions relating to meetings of the board and board actions.

SECTION 2.06. APPOINTMENT OF BOARD SECRETARY AND TREASURER. Sets forth provisions relating to the appointment of the secretary and treasurer of the board.

SECTION 2.07. CONFLICT OF INTEREST; CONTRACT. Requires a director who is financially interested in a contract that is proposed to be executed by the board for the purchase of property or services or for the construction of facilities to disclose the director's interest to the board and prohibits the director from voting on the acceptance of the contract.

SECTION 2.08. DISTRICT EMPLOYEES. Authorizes the board to employ a general manager and other employees. Sets forth provisions relating to the responsibilities of the general manager.

SECTION 2.09. EMPLOYEE BONDS. Sets forth provisions relating to fidelity bonds.

SECTION 2.10. PRINCIPAL OFFICE. Sets forth provisions relating to the location of the principal office of the district.

SECTION 2.11. RECORDS. Sets forth provisions relating to records of the district.

### ARTICLE 3. AUTHORITY OF DISTRICT

SECTION 3.01. POWERS AND DUTIES. Requires the district to administer and enforce the provisions of this Act and use the facilities and powers of the district to accomplish the purposes of this Act and Chapter 57, Water Code.

SECTION 3.02. DISTRICT RULES. (a) Authorizes the district to adopt and enforce rules reasonably required to implement this Act, including rules governing procedure and practice before the board.

(b) Requires the district to keep a record of the district's rules and provide a copy of the rules to a person on written request.

SECTION 3.03. INSPECTIONS AND INVESTIGATIONS. Sets forth provisions relating to inspections and investigations carried out by the district.

SECTION 3.04. HEARINGS AND ORDERS. Sets forth provisions relating to hearings and orders carried out by the board.

SECTION 3.05. CIVIL PENALTY; INJUNCTION. (a) Provides that a person who violates a rule, permit, or order of the district is subject to a civil penalty in accordance with Chapter 49, Water Code.

(b) Authorizes the district to sue to enjoin a threatened or present activity or to recover the penalty in a district court in the county in which the violation occurred. Requires a penalty recovered under this subsection to be paid to the district.

SECTION 3.06. FACILITIES. Authorizes the district to purchase, construct, acquire, own, lease, operate, maintain, repair, improve, and extend certain land and facilities.

SECTION 3.07. USE OF PUBLIC ROADWAYS, STREETS, ALLEYS, OR EASEMENTS. Sets forth provisions relating to the district's use of public roadways, streets, alleys, or easements.

SECTION 3.08. RELOCATION OF FACILITIES. Sets forth provisions relating to the district's relocation of facilities.

#### ARTICLE 4. GENERAL FISCAL PROVISIONS

SECTION 4.01. DISBURSEMENT OF MONEY. Authorizes the district to disburse money only by check, draft, order, or other instrument signed by a person authorized in the bylaws of the district or by board resolution.

SECTION 4.02. LOANS AND GRANTS. Authorizes the district to apply for and receive a loan or grant from the state or the United States, or any agency of the state or the United States, or from a private entity, for purposes of exercising the powers of the district.

SECTION 4.03. DEPOSITORY BANKS. Sets forth provisions relating to depository banks.

#### ARTICLE 5. BOND AND TAX PROVISIONS

SECTION 5.01. TAXES; REVENUE BONDS. Authorizes the district to issue certain bonds or other obligations. Sets forth other provisions relating to taxes and revenue bonds.

SECTION 5.02. BOND ANTICIPATION NOTES. Sets forth provisions relating to bond anticipation notes.

SECTION 5.03. REFUNDING BONDS. Authorizes the district to issue refunding bonds to refund outstanding bonds and interest as authorized by this Act. Sets forth other provisions relating to the refunding of bonds.

#### ARTICLE 6. MISCELLANEOUS PROVISIONS

SECTION 6.01. TAX EXEMPTION. Sets forth provisions relating to tax exemption.

SECTION 6.02. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS. Sets forth provisions relating to procedural requirements.

SECTION 6.03. EFFECTIVE DATE. Effective date: upon passage or September 1, 2001.