

PRELIMINARY DRAFT

TEXAS LEGISLATIVE COUNCIL
Special District Local
Laws Code
Chapter 9055
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5 CHAPTER 9055. WISE COUNTY WATER SUPPLY DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Revised Law

8 Sec. 9055.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the district's board of directors.

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

11 (3) "District" means the Wise County Water Supply
12 District. (Acts 53rd Leg., R.S., Ch. 268, Sec. 1 (part); New.)

13 Source Law

14 Sec. 1. . . . a District to be known as "Wise
15 County Water Supply District," (hereinafter called
16 "District")

17 Revisor's Note

18 The definitions of "board" and "director" are
19 added to the revised law for drafting convenience and
20 to eliminate frequent, unnecessary repetition of the
21 substance of the definitions.

22 Revised Law

23 Sec. 9055.002. NATURE OF DISTRICT. The district is created
24 under Section 59, Article XVI, Texas Constitution. (Acts 53rd
25 Leg., R.S., Ch. 268, Sec. 1 (part).)

26 Source Law

27 Sec. 1. By virtue of Article XVI, Section 59 of
28 the Texas Constitution, there is hereby created a
29 District . . . which shall be a governmental agency
30 and a body politic and corporate.

31 Revisor's Note

32 Section 1, Chapter 268, Acts of the 53rd
33 Legislature, Regular Session, 1953, provides that the
34 district is "a governmental agency and a body politic
35 and corporate." The revised law omits the references
36 to "governmental agency" and "body politic and

1 corporate" because they duplicate 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 body politic and corporate.

5 Revised Law

6 Sec. 9055.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
7 All land in the district will benefit from the improvements to be
8 acquired and constructed by the district.

9 (b) The accomplishment of the purposes stated in this
10 chapter will benefit the people of this state and improve their
11 property and industries.

12 (c) The district, in carrying out the purposes of this
13 chapter, will be performing an essential public function under the
14 Texas Constitution. (Acts 53rd Leg., R.S., Ch. 268, Secs. 2 (part),
15 19 (part).)

16 Source Law

17 Sec. 2. . . . It is hereby found that all land
18 thus included in said District will be benefited by the
19 improvements to be acquired and constructed by said
20 District.

21 Sec. 19. The accomplishment of the purposes
22 stated in this Act being for the benefit of the people
23 of this State and for the improvement of their
24 properties and industries, the District in carrying
25 out the purposes of this Act will be performing an
26 essential public function under the Constitution and
27

28 SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS TO DISTRICT
29 TERRITORY

30 Revised Law

31 Sec. 9055.051. DISTRICT TERRITORY. The district is
32 composed of the territory described by Section 2, Chapter 268, Acts
33 of the 53rd Legislature, Regular Session, 1953, as that territory
34 may have been modified under:

- 35 (1) Subchapter J, Chapter 49, Water Code;
36 (2) this subchapter or its predecessor statute, former
37 Section 5, Chapter 268, Acts of the 53rd Legislature, Regular
38 Session, 1953; or

1 (3) other law. (Acts 53rd Leg., R.S., Ch. 268, Sec. 2
2 (part); New.)

3 Source Law

4 Sec. 2. The District shall be situated in Wise
5 County, Texas, and the boundaries thereof shall be as
6 follows:

7 Revisor's Note

8 The revision of the law governing the district
9 does not revise the statutory language describing the
10 territory of the district to avoid the lengthy
11 recitation of the description and because that
12 description may not be accurate on the effective date
13 of the revision or at the time of a later reading. For
14 the reader's convenience, the revised law includes
15 references to the statutory description of the
16 district's territory and to the statutory authority to
17 change the district's territory under Subchapter J,
18 Chapter 49, Water Code, applicable to the district
19 under Sections 49.001 and 49.002 of that chapter, this
20 subchapter, and Section 5, Chapter 268, Acts of the
21 53rd Legislature, Regular Session, 1953, from which
22 the relevant provisions of this subchapter are
23 derived. The revised law also includes a reference to
24 the general authority of the legislature to enact
25 other laws to change the district's territory.

26 Revised Law

27 Sec. 9055.052. AUTHORITY TO ANNEX TERRITORY. Territory
28 inside Wise County, whether contiguous to the district or not, may
29 be annexed to the district in the manner provided by this
30 subchapter. (Acts 53rd Leg., R.S., Ch. 268, Sec. 5 (part).)

31 Source Law

32 Sec. 5. Other territory, whether contiguous to
33 the District or not, and within Wise County, may be
34 annexed to the District in the following
35 manner:

1 Revised Law

2 Sec. 9055.053. PETITION FOR ANNEXATION; BOARD FINDINGS AND
3 RESOLUTION; HEARING. (a) The board may annex territory under this
4 subchapter if a petition requesting annexation is signed by 50
5 registered voters of the territory to be annexed who own taxable
6 property in that territory, or by a majority of the registered
7 voters of that territory who own taxable property in that
8 territory, and is filed with the board. The petition must describe
9 the territory to be annexed by metes and bounds.

10 (b) If the board determines that the petition complies with
11 Subsection (a), that the annexation would be in the interest of the
12 district, and that the district will be able to supply water to the
13 territory, the board shall:

14 (1) adopt a resolution declaring its intention to call
15 an election in the territory to submit the proposition of whether
16 the territory is to be annexed to the district; and

17 (2) set a time and place to hold a board hearing on the
18 question of whether the territory to be annexed will benefit from
19 the improvements, works, and facilities then owned or operated or
20 contemplated to be owned or operated by the district. (Acts 53rd
21 Leg., R.S., Ch. 268, Secs. 5(a), (b).)

22 Source Law

23 (a) A petition praying for such annexation
24 signed by fifty (50) or a majority of the qualified
25 voters of the territory to be annexed who own taxable
26 property therein and who have duly rendered the same to
27 the county for taxation shall be filed with the Board
28 of Directors of the District. The petition shall
29 describe the territory by metes and bounds.

30 (b) If the Board of Directors finds that the
31 petition complies with, and is signed by the number of
32 qualified persons required by the foregoing
33 subsection, that the annexation would be to the
34 interest of the District, and that the District will be
35 able to supply water to the territory, it shall adopt a
36 resolution declaring its intention to call an election
37 in the territory for the purpose of submitting the
38 proposition of whether or not such territory shall be
39 annexed to the District, and fix a time and place when
40 and where a hearing shall be held by said Board on the
41 question of whether the territory proposed to be
42 annexed will be benefited by the improvements, works,
43 and facilities then owned or operated or contemplated
44 to be owned or operated by the District.

1 Revisor's Note

2 (1) Section 5(a), Chapter 268, Acts of the 53rd
3 Legislature, Regular Session, 1953, refers to
4 "qualified voters" of the territory. The revised law
5 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 a "registered voter."

9 (2) Section 5(a), Chapter 268, Acts of the 53rd
10 Legislature, Regular Session, 1953, requires that an
11 annexation petition be signed by owners of taxable
12 property "who have duly rendered the same to the county
13 for taxation." The revised law omits the quoted
14 language because, in context, "property" means "real
15 property," and the Property Tax Code (Title 1, Tax
16 Code) does not require an owner of real property to
17 render the property for ad valorem taxation.

18 Revised Law

19 Sec. 9055.054. ANNEXATION HEARING. (a) At least 10 days
20 before the date of the annexation hearing, notice of the adoption of
21 the resolution stating the time and place of the hearing and
22 addressed to the citizens and owners of property in the territory to
23 be annexed shall be published one time in a newspaper of general
24 circulation in the territory to be annexed. The notice must
25 describe the territory in the same manner in which Section
26 9055.053(a) requires the petition to describe the territory.

27 (b) If a newspaper of general circulation is not published
28 in the territory to be annexed, the notice shall be posted in three
29 public places in the territory.

30 (c) Any interested person may appear at the hearing and
31 offer evidence for or against the annexation.

32 (d) The hearing may proceed in the order and under the rules
33 prescribed by the board and may be recessed from time to time.
34 (Acts 53rd Leg., R.S., Ch. 268, Secs. 5(c), (d) (part).)

1 Source Law

2 (c) Notice of the adoption of such resolution
3 stating the time and place of such hearing, addressed
4 to the citizens and owners of property in such
5 territory shall be published one (1) time in a
6 newspaper of general circulation in the territory to
7 be annexed at least ten (10) days prior to the date of
8 such hearing. The notice shall describe the territory
9 proposed to be annexed in the same manner as required
10 for the petition. If no newspaper of general
11 circulation is in the territory to be annexed, the
12 notices shall be posted in three (3) public places
13 therein.

14 (d) All persons interested may appear at such
15 hearing and offer evidence for or against the intended
16 annexation. Such hearing may proceed in such order and
17 under such rules as may be prescribed by the Board of
18 Directors, and the hearing may be recessed from time to
19 time. . . .

20 Revisor's Note

21 Section 5(c), Chapter 268, Acts of the 53rd
22 Legislature, Regular Session, 1953, requires notice of
23 an annexation hearing to describe the territory to be
24 annexed in the same manner in which it is "required" to
25 be described in the petition. The requirements for
26 describing the territory in the petition are revised
27 in Section 9055.053(a). The revised law is drafted
28 accordingly.

29 Revised Law

30 Sec. 9055.055. BOARD FINDINGS AND RESOLUTION; ELECTION.
31 If, at the conclusion of the annexation hearing, the board finds
32 that all land in the territory to be annexed will benefit from the
33 present or contemplated improvements, works, or facilities of the
34 district, the board shall adopt a resolution that:

35 (1) calls an election in the territory to be annexed;
36 and

37 (2) states the date of the election and the place or
38 places of holding the election. (Acts 53rd Leg., R.S., Ch. 268,
39 Sec. 5(d) (part).)

40 Source Law

41 (d) . . . If, at the conclusion of the hearing,
42 the Board of Directors finds that all of the land in
43 the territory proposed to be annexed will be benefited
44 by the present or contemplated improvements, works or

1 facilities of the District, the Board shall adopt a
2 resolution calling an election in the territory to be
3 annexed stating therein the date of the election, the
4 place or places of holding the same, and appointing a
5 presiding judge for each voting place who shall
6 appoint the necessary assistant judges and clerks to
7 assist in holding the election. . . .

8 Revisor's Note

9 Section 5(d), Chapter 268, Acts of the 53rd
10 Legislature, Regular Session, 1953, provides that if
11 the board of directors makes certain findings the
12 board shall adopt a resolution calling an election and
13 "appointing a presiding judge for each voting place
14 who shall appoint the necessary assistant judges and
15 clerks to assist in holding the election." The revised
16 law omits the quoted language as superseded by the 1985
17 enactment of the Election Code, applicable to the
18 district under Section 1.002, Election Code. Chapter
19 32, Election Code, governs the selection of election
20 judges and clerks.

21 Revised Law

22 Sec. 9055.056. NOTICE OF ANNEXATION ELECTION. At least 10
23 days before the date set for the election, notice of the election
24 must be published one time in a newspaper of general circulation in
25 the district. In addition to the requirements of Section 4.004,
26 Election Code, notice of the annexation election must:

- 27 (1) state the conditions under which the territory may
28 be annexed; or
29 (2) refer to the resolution of the board for that
30 purpose. (Acts 53rd Leg., R.S., Ch. 268, Sec. 5(e).)

31 Source Law

32 (e) Notice of such election, stating the date
33 thereof, the proposition to be voted upon and the
34 condition under which the territory may be annexed, or
35 making reference to the resolution of the Board of
36 Directors for that purpose, and the place or places of
37 holding the same, shall be published one (1) time in a
38 newspaper of general circulation in the District at
39 least ten (10) days before the day set for the
40 election.

1 Revisor's Note

2 Section 5(e), Chapter 268, Acts of the 53rd
3 Legislature, Regular Session, 1953, requires notice of
4 an annexation election to state the election date, the
5 proposition to be voted on, and the place or places of
6 holding the election. The revised law omits those
7 provisions because they duplicate provisions of
8 Section 4.004, Election Code, applicable to the
9 district under Section 1.002 of that code. For the
10 convenience of the reader, the revised law adds a
11 cross-reference to Section 4.004, Election Code.

12 Revised Law

13 Sec. 9055.057. ELECTION RESULTS. (a) The board shall issue
14 an order declaring the results of the annexation election.

15 (b) If the order shows that a majority of the votes cast are
16 in favor of annexation, the board shall annex the proposed
17 territory to the district. The annexation is incontestable except
18 within the time for contesting elections under the general election
19 law.

20 (c) A certified copy of the order shall be recorded in the
21 deed records of the county in which the territory is located. (Acts
22 53rd Leg., R.S., Ch. 268, Sec. 5(g) (part).)

23 Source Law

24 (g) The Board of Directors shall . . . pass an
25 order declaring the results thereof. If such order
26 shows that a majority of the votes cast are in favor of
27 annexation said Board shall annex said territory to
28 the District, and such annexation shall thereafter be
29 incontestable except within the time for contesting
30 elections under the General Election Law. A certified
31 copy of said order shall be recorded in the deed
32 records of the county in which the territory is
33 situated.

34 Revised Law

35 Sec. 9055.058. ANNEXATION OF CERTAIN MUNICIPAL TERRITORY.

36 (a) Territory annexed to any municipality in the district may be
37 annexed to the district as provided by this section.

38 (b) At any time after final passage of an ordinance or

1 resolution annexing territory to a municipality in the district,
2 the board may give notice of a hearing on the question of annexing
3 that territory or any part of that territory to the district. The
4 notice is sufficient if it:

- 5 (1) states the date and place of the hearing; and
- 6 (2) describes the area proposed to be annexed or
7 refers to the annexation ordinance or resolution of the
8 municipality.

9 (c) At least 10 days before the date set for the hearing, the
10 notice must be published one time in a newspaper of general
11 circulation in the annexing municipality.

12 (d) If, as a result of the hearing, the board finds that the
13 territory will benefit from the water supplied or to be supplied by
14 the district, the board shall adopt a resolution annexing the
15 territory to the district. (Acts 53rd Leg., R.S., Ch. 268, Sec.
16 5(h).)

17 Source Law

18 (h) Territory heretofore or hereafter annexed
19 to any city contained in the District may be annexed to
20 the District in the following manner:

21 (1) At any time after final passage of an
22 ordinance or resolution annexing territory to the
23 city, the Board of Directors of the District may issue
24 a notice of hearing on the question of annexing said
25 territory or any part thereof. Such notice shall be
26 sufficient if it states the date and place of the
27 hearing, a description of the area proposed to be
28 annexed, but in lieu of such description the notice may
29 make reference to the annexation ordinance of the
30 city.

31 (2) The notice shall be published one (1)
32 time in a newspaper having general circulation in the
33 city which made the annexation, such publication to be
34 at least ten (10) days before the date set for the
35 hearing.

36 (3) If, pursuant to such hearing, the
37 Board of Directors finds that the territory proposed
38 to be annexed will be benefited by the water supply
39 afforded or to be afforded by the District, the Board
40 shall adopt resolution annexing said territory to the
41 District.

42 Revisor's Note

43 Section 5(h), Chapter 268, Acts of the 53rd
44 Legislature, Regular Session, 1953, refers to a
45 "city." Throughout this chapter, the revised law

1 substitutes "municipality" for "city" or "town,"
2 unless a specific municipality is intended, because
3 the meaning of "municipality" includes both cities and
4 towns and because that is the term used in the Local
5 Government Code.

6 Revised Law

7 Sec. 9055.059. ASSUMPTION OF DEBT; TAXES. (a) After
8 territory is annexed to the district, the board may hold an election
9 in the district as enlarged to determine whether the district as
10 enlarged shall assume any tax-supported bonds then outstanding and
11 those previously voted but not yet sold and impose an ad valorem tax
12 on all taxable property in the district as enlarged to pay the
13 bonds, unless the proposition is voted along with the annexation
14 election and becomes binding on the territory annexed.

15 (b) An election held under Subsection (a) shall be held in
16 the same manner as an election under this chapter for the issuance
17 of bonds. (Acts 53rd Leg., R.S., Ch. 268, Sec. 5(i).)

18 Source Law

19 (i) After territory is added to the District,
20 the Board of Directors of the District may call an
21 election over the entire District for the purpose of
22 determining whether the entire District as enlarged
23 shall assume the tax-supported bonds then outstanding
24 and those theretofore voted but not yet sold and
25 whether an ad valorem tax shall be levied upon all
26 taxable property within the District as enlarged for
27 the payment thereof unless such proposition is voted
28 along with the annexation election and becomes
29 lawfully binding upon the territory annexed. Such
30 election shall be called and held in the same manner as
31 elections for the issuance of bonds as provided in this
32 Act.

33 Revisor's Note

34 (1) Section 5(i), Chapter 268, Acts of the 53rd
35 Legislature, Regular Session, 1953, refers to the
36 "levy" of an ad valorem tax. The revised law
37 substitutes "impose" for "levy" because "impose" is
38 the term generally used in Title 1, Tax Code, and
39 includes the levy of an ad valorem tax.

40 (2) Section 5(i), Chapter 268, Acts of the 53rd

1 Legislature, Regular Session, 1953, provides that an
2 election on the assumption of bonds by the district as
3 enlarged and the imposition of an ad valorem tax to pay
4 the bonds shall be "called and held" in the same manner
5 as elections for the issuance of bonds. The revised
6 law omits the reference to "calling" an election
7 because, in context, "calling" an election is included
8 in the meaning of "holding" an election. Under Chapter
9 3, Election Code, all elections must be ordered
10 (called) before they may be held.

11 Revised Law

12 Sec. 9055.060. RESTRICTION ON ANNEXATION OF RAILROAD
13 RIGHT-OF-WAY, TRANSMISSION LINE, OR OTHER UTILITY PROPERTY.
14 Railroad right-of-way, transmission lines and other property of
15 electric and gas utilities that are not in the limits of a
16 municipality will not benefit from improvements, works, and
17 facilities the district is authorized to construct. Therefore,
18 railroad right-of-way or transmission lines or other property of
19 electric and gas utilities may not be annexed to the district unless
20 the right-of-way, transmission lines and other property of electric
21 and gas utilities are contained in the limits of a municipality
22 annexed to the district. (Acts 53rd Leg., R.S., Ch. 268, Sec. 5(d)
23 (part).)

24 Source Law

25 (d) . . . Railroad right-of-way, transmission
26 lines and other property of electric and gas utilities
27 which are not situated within the defined limits of an
28 incorporated city or town will not be benefited by
29 improvements, works and facilities which the District
30 is authorized to construct; therefore, no railroad
31 right-of-way or transmission lines or other property
32 of electric and gas utilities shall hereafter be
33 annexed to the District except such right-of-way,
34 transmission lines and other property of electric and
35 gas utilities as are contained within the limits of an
36 incorporated city or town then or thereafter annexed
37 to the District.

38 Revisor's Note

39 Section 5(d), Chapter 268, Acts of the 53rd
40 Legislature, Regular Session, 1953, refers to an

1 "incorporated city or town." The revised law
2 substitutes "municipality" for "city or town" for the
3 reason stated in the revisor's note to Section
4 9055.058. The revised law omits "incorporated" because
5 under the Local Government Code, all municipalities
6 must be incorporated.

7 Revisor's Note
8 (End of Subchapter)

9 (1) Section 5(f), Chapter 268, Acts of the 53rd
10 Legislature, Regular Session, 1953, requires that an
11 elector reside in the territory proposed to be annexed
12 to be qualified to vote in an annexation election. The
13 revised law omits that requirement because Section
14 5(d) (the relevant part of which is revised in this
15 chapter as Section 9055.055) provides for the calling
16 of an election in the territory to be annexed and
17 because under Section 11.001, Election Code, to be
18 eligible to vote in an election in this state a person
19 must be a resident of the territory covered by the
20 election. The omitted law reads:

21 (f) Only constitutionally qualified
22 electors who reside in such territory shall
23 be qualified, to vote in said
24 election. . . .

25 (2) Sections 5(f) and (g), Chapter 268, Acts of
26 the 53rd Legislature, Regular Session, 1953, provide
27 that returns of an annexation election shall be made to
28 and canvassed by the board of directors. The revised
29 law omits those provisions as superseded by the 1985
30 enactment of the Election Code, applicable to the
31 district under Section 1.002, Election Code. Chapter
32 67, Election Code, provides for the canvass of
33 elections. The omitted law reads:

34 (f) . . . Returns of said election
35 shall be made to the Board of Directors of
36 Wise County Water Supply District.

37 (g) [The Board of Directors shall]
38 canvass the returns of the election and

1

2 SUBCHAPTER C. BOARD OF DIRECTORS

3 Revised Law

4 Sec. 9055.101. BOARD. (a) The district is governed by a
5 board of five directors.

6 (b) Directors serve staggered two-year terms expiring the
7 first Tuesday of May.

8 (c) A majority of directors constitutes a quorum. (Acts 53rd
9 Leg., R.S., Ch. 268, Sec. 3(a) (part).)

10 Source Law

11 Sec. 3. (a) All powers of the District shall be
12 exercised by a Board of five (5) Directors. Each
13 Director shall serve for a term of two (2) years with
14 such term expiring on the first Tuesday of May in the
15 year of expiration of such term, and A majority
16 shall constitute a quorum.

17 Revised Law

18 Sec. 9055.102. APPOINTMENT OF DIRECTORS. In April of each
19 year, the governing body of the City of Decatur shall appoint a
20 director to succeed each director whose term expires during the
21 following May. (Acts 53rd Leg., R.S., Ch. 268, Sec. 3(c) (part).)

22 Source Law

23 (c) During the month of April of each year
24 beginning with the year 1965, the governing body of the
25 City of Decatur shall appoint Directors to succeed
26 Directors whose terms expire during the following
27 May. . . .

28 Revisor's Note

29 Section 3(c), Chapter 268, Acts of the 53rd
30 Legislature, Regular Session, 1953, provides for the
31 appointment of directors annually in April, "beginning
32 with the year 1965." The revised law omits the quoted
33 language as executed.

34 Revised Law

35 Sec. 9055.103. QUALIFICATIONS FOR OFFICE. (a) A person may
36 not be appointed a director unless the person resides in and owns
37 taxable property in the district.

38 (b) A member of a municipality's governing body or an
39 employee of a municipality may not be a director. (Acts 53rd Leg.,

1 R.S., Ch. 268, Sec. 3(a) (part).)

2 Source Law

3 (a) . . . No person shall be appointed a
4 Director unless he resides in and owns taxable
5 property in the District. No member of a governing body
6 of any city or town, and no employee of a city or town
7 shall be a Director. . . .

8 Revisor's Note

9 Section 3(a), Chapter 268, Acts of the 53rd
10 Legislature, Regular Session, 1953, requires each
11 director to take the constitutional oath of office.
12 The revised law omits the provision because Section 1,
13 Article XVI, Texas Constitution, requires all officers
14 to take an oath or affirmation before assuming office.
15 The omitted law reads:

16 (a) . . . Such Directors shall
17 subscribe the constitutional oath of
18 office, and . . .

19 Revised Law

20 Sec. 9055.104. VACANCY. The governing body of the City of
21 Decatur shall appoint a successor to fill a vacancy on the board for
22 the unexpired term. (Acts 53rd Leg., R.S., Ch. 268, Sec. 3(c)
23 (part).)

24 Source Law

25 (c) . . . Any vacancy shall be filled for an
26 unexpired term by the governing body of such city.

27 Revised Law

28 Sec. 9055.105. OFFICERS. (a) The board shall elect from the
29 board's membership a president, a vice president, and any other
30 officers as the board determines necessary. The president is the
31 chief executive officer of the district and the presiding officer
32 of the board. The vice president shall act as president if the
33 president is absent or fails or declines to act.

34 (b) The board shall appoint a secretary and a treasurer, who
35 are not required to be directors. The board may combine the offices
36 of secretary and treasurer. (Acts 53rd Leg., R.S., Ch. 268, Sec. 4
37 (part).)

1 director serves until the director's successor is
2 qualified. The revised law omits that provision
3 because it duplicates Section 17, Article XVI, Texas
4 Constitution, which provides that an officer in this
5 state is to continue to perform the officer's duties
6 until the successor has qualified. The omitted law
7 reads:

8 (a) . . . [Each Director shall serve
9 for a term of two (2) years . . . , and]
10 thereafter until his successor shall be
11 appointed and qualified,

12 (2) Sections 3(a) and (b), Chapter 268, Acts of
13 the 53rd Legislature, Regular Session, 1953, refer to
14 the initial directors and their terms of office. The
15 revised law omits those provisions as executed. The
16 omitted law reads:

17 (a) . . . provided that the initial
18 terms of office for the Directors named in
19 subsection (b) of this Section shall be as
20 set forth therein. . . .

21 (b) The appointment of the initial
22 Board of Directors of said District and the
23 designation of the terms of office of said
24 Board by action of the City Council of the
25 City of Decatur on the 14th day of July,
26 1964, said Directors and the expiration
27 dates of their terms of office, being as
28 follows:

29 Jo Ann Cocanougher	First Tuesday in May, 1965
30 Nolen L. Sewell	First Tuesday in May, 1965
31 Carl Christian	First Tuesday in May, 1965
32 Oscar Cox, Jr.	First Tuesday in May, 1966
33 Ben C. Merritt, Jr., M.D.	First Tuesday in May, 1966,
34	are hereby in all things validated.

35 (3) Section 4, Chapter 268, Acts of the 53rd
36 Legislature, Regular Session, 1953, requires the board
37 to appoint all necessary engineers, attorneys, and
38 other employees. The revised law omits that provision
39 because it duplicates in substance Section 49.057(a),
40 Water Code. The omitted law reads:

41 Sec. 4. . . . The Board shall appoint
42 all necessary engineers, attorneys and
43 other employees. . . .

44 (4) Section 4, Chapter 268, Acts of the 53rd
45 Legislature, Regular Session, 1953, requires the board

1 to adopt a seal for the district. The revised law
2 omits that provision because it duplicates Section
3 49.061, Water Code. The omitted law reads:

4 Sec. 4. . . . The Board shall adopt a
5 seal for the District.

6 SUBCHAPTER D. GENERAL POWERS AND DUTIES

7 Revised Law

8 Sec. 9055.151. CONSTRUCTION OF DAM. (a) The district may
9 impound storm and flood waters and the unappropriated flow waters
10 at one or more places and in an amount approved by the Texas
11 Commission on Environmental Quality by constructing one or more
12 dams inside or outside the district in Wise County. In exercising
13 its powers under this subsection, the district shall comply with
14 Subchapters A-D, Chapter 11, and Subchapter B, Chapter 12, Water
15 Code.

16 (b) A dam or other works for the impounding of water under
17 this section may not be constructed until the plans for the dam or
18 other works are approved by the Texas Commission on Environmental
19 Quality. (Acts 53rd Leg., R.S., Ch. 268, Sec. 6 (part).)

20 Source Law

21 Sec. 6. The District is hereby empowered to
22 impound storm and flood waters and the unappropriated
23 flow waters at such place or places and in such amounts
24 as may be approved by the Board of Water Engineers, by
25 the construction of a dam or dams within or without the
26 District in Wise County, by complying with Chapter 1,
27 Title 128, Revised Civil Statutes, as amended, and
28 No dam or other works for the impounding of
29 water shall be constructed until the plans therefor
30 are approved by the Board of Water Engineers of the
31 State of Texas.

32 Revisor's Note

33 (1) Section 6, Chapter 268, Acts of the 53rd
34 Legislature, Regular Session, 1953, refers to the
35 "Board of Water Engineers." The Board of Water
36 Engineers, created by Chapter 171, General Laws, Acts
37 of the 33rd Legislature, Regular Session, 1913, became
38 the Texas Water Commission under Chapter 4, Acts of the
39 57th Legislature, 3rd Called Session, 1962. The name

1 of the agency was changed to the Texas Water Rights
2 Commission by Chapter 296, Acts of the 59th
3 Legislature, Regular Session, 1965. In 1977, Sections
4 1 and 9, Chapter 870, Acts of the 65th Legislature,
5 Regular Session, changed the name of the agency to the
6 Texas Water Commission. Subsequently, the name of the
7 Texas Water Commission was changed to the Texas
8 Natural Resource Conservation Commission by Section
9 1.085, Chapter 3, Acts of the 72nd Legislature, 1st
10 Called Session, 1991. The name of the Texas Natural
11 Resource Conservation Commission was changed to the
12 Texas Commission on Environmental Quality by Section
13 18.01, Chapter 965, Acts of the 77th Legislature,
14 Regular Session, 2001. The revised law is drafted
15 accordingly.

16 (2) Section 6, Chapter 268, Acts of the 53rd
17 Legislature, Regular Session, 1953, refers to "Chapter
18 1, Title 128, Revised Civil Statutes, as amended." The
19 pertinent parts of Chapter 1, Title 128, Revised
20 Statutes, were codified as Subchapters A-D, Chapter
21 11, and Subchapter B, Chapter 12, Water Code, by
22 Section 1, Chapter 58, Acts of the 62nd Legislature,
23 Regular Session, 1971, and Section 1, Chapter 870,
24 Acts of the 65th Legislature, Regular Session, 1977,
25 and the revised law is drafted accordingly. The
26 revised law omits the reference to "as amended"
27 because under Section 311.027, Government Code (Code
28 Construction Act), unless expressly provided
29 otherwise, a reference to a statute applies to all
30 reenactments, revisions, or amendments of the statute.

31 Revised Law

32 Sec. 9055.152. SOURCES OF WATER. The district may develop
33 or otherwise acquire sources of water. (Acts 53rd Leg., R.S., Ch.
34 268, Sec. 6 (part).)

1 and industrial purposes" in Sections 6a and 9, Chapter
2 268, Acts of the 53rd Legislature, Regular Session,
3 1953, revised as Subsection (b) of this section and
4 Section 9055.251, respectively, that the phrase in
5 Section 6 contains a typographical error, and the
6 legislature intended to use the phrase "municipal,
7 domestic, and industrial purposes."

8 Revised Law

9 Sec. 9055.154. WATER APPROPRIATION PERMITS. The district
10 may acquire water appropriation permits directly from the Texas
11 Commission on Environmental Quality or from owners of permits.
12 (Acts 53rd Leg., R.S., Ch. 268, Sec. 16 (part).)

13 Source Law

14 Sec. 16. The District is authorized to acquire
15 water appropriation permits directly from the Texas
16 Water Commission; or from owners of permits. . . .

17 Revisor's Note

18 Section 16, Chapter 268, Acts of the 53rd
19 Legislature, Regular Session, 1953, refers to the
20 "Texas Water Commission." The revised law substitutes
21 a reference to the Texas Commission on Environmental
22 Quality for the reason stated in Revisor's Note (1) to
23 Section 9055.151.

24 Revised Law

25 Sec. 9055.155. PURCHASE OF WATER. The district may
26 purchase water or a water supply from any person. (Acts 53rd Leg.,
27 R.S., Ch. 268, Sec. 16 (part).)

28 Source Law

29 Sec. 16. . . . The District is also authorized
30 to purchase water or a water supply from any person,
31 firm, corporation or public agency. . . .

32 Revisor's Note

33 Section 16, Chapter 268, Acts of the 53rd
34 Legislature, Regular Session, 1953, refers to a
35 person, firm, corporation, or public agency. The
36 revised law omits the references to "firm,"

1 "corporation," and "public agency" because Section
2 311.005(2), Government Code (Code Construction Act),
3 defines "person" to include a corporation or any other
4 legal entity.

5 Revised Law

6 Sec. 9055.156. EMINENT DOMAIN. (a) To carry out a power
7 provided by this chapter, the district may exercise the power of
8 eminent domain to acquire land and easements inside or outside the
9 district in Wise County, including land above the probable high
10 water line around the reservoirs.

11 (b) The district must exercise the power of eminent domain
12 in the manner provided by Chapter 21, Property Code.

13 (c) The board shall determine the amount and the type of
14 interest in land and easements to be acquired under this section.
15 (Acts 53rd Leg., R.S., Ch. 268, Sec. 7 (part).)

16 Source Law

17 Sec. 7. For the purpose of carrying out any
18 power or authority conferred by this Act the District
19 shall have the right to acquire land and easements
20 within and without the District in Wise County
21 (including land above the probable high water line
22 around the reservoirs) by condemnation in the manner
23 provided by Title 52, Revised Civil Statutes, as
24 amended, relating to eminent domain. The amount of and
25 character of interest in land and easements thus to be
26 acquired shall be determined by the Board of
27 Directors. . . .

28 Revisor's Note

29 (1) Section 7, Chapter 268, Acts of the 53rd
30 Legislature, Regular Session, 1953, refers to any
31 "power or authority" of the district. The revised law
32 omits "authority" in this context because "authority"
33 is included in the meaning of "power."

34 (2) Section 7, Chapter 268, Acts of the 53rd
35 Legislature, Regular Session, 1953, provides that "the
36 District shall have the right to acquire [certain
37 property] by condemnation." The revised law
38 substitutes for the quoted language "the district may
39 exercise the power of eminent domain to acquire

1 [certain property]" because the phrases have the same
2 meaning and the latter is consistent with modern usage
3 in laws relating to eminent domain.

4 (3) Section 7, Chapter 268, Acts of the 53rd
5 Legislature, Regular Session, 1953, refers to Title
6 52, Revised Civil Statutes of Texas, as amended. That
7 statute was codified as Chapter 21, Property Code. The
8 revised law is drafted accordingly. The revised law
9 omits the reference to "as amended" for the reason
10 stated in Revisor's Note (2) to Section 9055.151.

11 Revised Law

12 Sec. 9055.157. COST OF RELOCATING OR ALTERING PROPERTY. If
13 the district's exercise of the power of eminent domain, the power of
14 relocation, or any other power granted by this chapter makes
15 necessary relocating, raising, rerouting, changing the grade of, or
16 altering the construction of a highway, railroad, electric
17 transmission line, telephone or telegraph property or facility, or
18 pipeline, the necessary action shall be accomplished at the sole
19 expense of the district. (Acts 53rd Leg., R.S., Ch. 268, Sec. 7
20 (part).)

21 Source Law

22 Sec. 7. . . . In the event that the District,
23 in the exercise of the power of eminent domain or power
24 of re-location, or any other power granted hereunder,
25 makes necessary the re-location, raising, re-routing
26 or changing the grade of, or altering the construction
27 of any highway, railroad, electric transmission line,
28 telephone or telegraph properties and facilities, or
29 pipeline, all such necessary re-location, raising,
30 re-routing, changing of grade or alteration of
31 construction shall be accomplished at the sole expense
32 of the District.

33 Revised Law

34 Sec. 9055.158. CONSTRUCTION CONTRACTS. (a) This section
35 applies only to a construction contract or contract for the
36 purchase of materials, equipment, or supplies requiring an
37 expenditure of more than \$2,000.

38 (b) The district shall award a contract to the lowest and
39 best bidder after publishing notice to bidders once a week for two

1 weeks in a newspaper published in the district that is designated by
2 the board.

3 (c) The notice is sufficient if it states:

4 (1) the time and place for opening the bids;

5 (2) the general nature of the work to be done or the
6 materials, equipment, or supplies to be purchased; and

7 (3) the place where and the terms on which copies of
8 the plans and specifications may be obtained. (Acts 53rd Leg.,
9 R.S., Ch. 268, Sec. 8.)

10 Source Law

11 Sec. 8. Any construction contract or contract
12 for the purchase of materials, equipment or supplies
13 requiring an expenditure of more than Two Thousand
14 (\$2,000.00) Dollars shall be awarded to the lowest and
15 best bidder after publication of a notice to bidders
16 once each week for two weeks before awarding the
17 contract. Such notice shall be sufficient if it states
18 the time and place when and where the bids will be
19 opened, the general nature of the work to be done, or
20 the materials, equipment or supplies to be purchased,
21 and states where and the terms upon which copies of the
22 plans and specifications may be obtained. The
23 publication shall be in a newspaper published in the
24 District and designated by the Board of Directors.

25 Revised Law

26 Sec. 9055.159. CONTRACTS TO SUPPLY WATER AND OPERATE
27 FACILITIES. (a) The district may contract with municipalities and
28 others to supply water to those entities.

29 (b) The district may contract with a municipality for the
30 rental or leasing of or for the operation of the water production,
31 water supply, and water supply facilities of the municipality.

32 (c) The district may contract with the City of Decatur for
33 the operation of the district's facilities by the city.

34 (d) The contract may be on terms and for the time agreed to
35 by the parties.

36 (e) The contract may provide that it will continue in effect
37 until bonds specified in it and refunding bonds issued in lieu of
38 the bonds are paid. (Acts 53rd Leg., R.S., Ch. 268, Sec. 14.)

39 Source Law

40 Sec. 14. The District is authorized to enter
41 into contracts with cities and others for supplying

1 water to them. The District is also authorized to
2 contract with any city for the rental or leasing of, or
3 for the operation of the water production, water
4 supply, and water supply facilities of such city upon
5 such consideration as the District and the city may
6 agree, and to contract with the City of Decatur for the
7 operation of the District's facilities by said city
8 upon such consideration as the District and said city
9 may agree. Any such contract may be upon such terms
10 and for such time as the parties may agree, and it may
11 provide that it shall continue in effect until bonds
12 specified therein and refunding bonds issued in lieu
13 of such bonds are paid.

14 Revisor's Note

15 Section 14, Chapter 268, Acts of the 53rd
16 Legislature, Regular Session, 1953, states that the
17 district may enter into certain contracts with a
18 municipality "upon such consideration" agreed to by
19 the district and municipality. The revised law omits
20 the referenced language as unnecessary because
21 consideration is a required element for the formation
22 of any legally binding contract.

23 Revised Law

24 Sec. 9055.160. ADOPTION OF RULES. The board may adopt
25 reasonable rules to:

26 (1) secure, maintain, and preserve the sanitary
27 condition of water in and water that flows into any reservoir owned
28 by the district;

29 (2) prevent waste of or the unauthorized use of water;
30 and

31 (3) regulate residence, hunting, fishing, boating,
32 camping, and any other recreational or business privilege along or
33 around any district reservoir and the stream leading into the
34 reservoir, and its tributaries, or any body of land, or easement
35 owned or controlled by the district. (Acts 53rd Leg., R.S., Ch.
36 268, Sec. 21(a).)

37 Source Law

38 Sec. 21. (a) The Board of Directors of the
39 District shall have the power to adopt and promulgate
40 all reasonable regulations to secure, maintain and
41 preserve the sanitary condition of all water in and to
42 flow into any reservoir owned by the District, to
43 prevent waste of water or the unauthorized use

1 application to be designated as a depository.

2 (f) The notice must be published one time in a newspaper
3 published in the district and specified by the board.

4 (g) At the time stated in the notice, the board shall:

5 (1) consider the application and the management and
6 condition of each bank that applies; and

7 (2) designate as a depository the bank or banks that:

8 (A) offer the most favorable terms for handling
9 the money; and

10 (B) the board finds have proper management and
11 are in condition to handle the money.

12 (h) Membership on the board of an officer or director of a
13 bank does not disqualify the bank from being designated as a
14 depository.

15 (i) If the board does not receive any applications before
16 the time stated in the notice, or if the board rejects all
17 applications, the board shall designate one or more banks located
18 inside or outside the district on terms that the board finds
19 advantageous to the district. (Acts 53rd Leg., R.S., Ch. 268, Sec.
20 15.)

21 Source Law

22 Sec. 15. (a) The Board of Directors shall
23 designate one or more banks within the District to
24 serve as depository for the funds of the District. All
25 funds of the District shall be deposited in such
26 Depository bank or banks except that funds pledged to
27 pay bonds may be deposited with the trustee bank named
28 in the trust agreement, and except that funds shall be
29 remitted to the bank of payment for the payment of
30 principal of and interest on bonds. To the extent that
31 funds in the depository banks and the trustee bank are
32 not insured by the F.D.I.C. they shall be secured in
33 the manner provided by law for the security of county
34 funds.

35 (b) Before designating a depository bank or
36 banks, the Board of Directors shall issue a notice
37 stating the time and place when and where the Board
38 will meet for such purpose and inviting the banks in
39 the District to submit applications to be designated
40 depositories. The term of service for depositories
41 shall be prescribed by the Board. Such notice shall be
42 published one time in a newspaper published in the
43 District and specified by the Board.

44 (c) At the time mentioned in the notice, the
45 Board shall consider the applications and the
46 management and condition of the banks filing them, and

1 shall designate as depositaries the bank or banks
2 which offer the most favorable terms and conditions
3 for the handling of the funds of the District and which
4 the Board finds have proper management and are in
5 condition to warrant handling of District funds.
6 Membership on the Board of Directors of an officer or
7 director of a bank shall not disqualify such bank from
8 being designated as depository.

9 (d) If no applications are received by the time
10 stated in the notice or if no such application is
11 accepted, the Board shall designate some bank or banks
12 within or without the District upon such terms and
13 conditions as it may find advantageous to the
14 District.

15 Revisor's Note

16 (1) Section 15, Chapter 268, Acts of the 53rd
17 Legislature, Regular Session, 1953, which provides for
18 the selection of a depository bank, refers several
19 times to monetary assets of the district as "funds."
20 Throughout this chapter, the revised law substitutes
21 "money" for "funds" (except where a specific type of
22 fund is indicated) because, in context, the meaning is
23 the same and "money" is the more commonly used term.

24 (2) Section 15(a), Chapter 268, Acts of the 53rd
25 Legislature, Regular Session, 1953, refers to the
26 "F.D.I.C." The revised law substitutes a reference to
27 the "Federal Deposit Insurance Corporation" because
28 that is the full name of that entity.

29 (3) Sections 15(c) and (d), Chapter 268, Acts of
30 the 53rd Legislature, Regular Session, 1953, refer to
31 proposed or agreed "terms and conditions" for serving
32 as the district's depository. The revised law omits
33 "conditions" because, in context, the meaning of
34 "conditions" is included in the meaning of "terms."

35 Revised Law

36 Sec. 9055.202. PROJECTS EXEMPT FROM ASSESSMENT OR TAXATION.
37 The district is not required to pay a tax or assessment on a project
38 or any part of a project. (Acts 53rd Leg., R.S., Ch. 268, Sec. 19
39 (part).)

40 Source Law

41 Sec. 19. . . . the District . . . shall not be

1 required to pay any tax or assessment on the project or
2 any part thereof, and

3 Revised Law

4 Sec. 9055.203. COLLECTION OF DISTRICT TAXES; CONTRACTS FOR
5 PERFORMANCE OF ADMINISTRATIVE DUTIES. (a) The City of Decatur
6 shall collect all taxes imposed by the district.

7 (b) The district may enter into a contract with the City of
8 Decatur under which municipal employees, including the tax
9 collector and assessor of the municipality, perform administrative
10 duties that might otherwise require the district to employ
11 personnel. (Acts 53rd Leg., R.S., Ch. 268, Secs. 20(a) (part),
12 (b).)

13 Source Law

14 Sec. 20. (a) . . . All taxes levied by the Board
15 of Directors of the District shall be . . . collected
16 by the city. . . .

17 (b) The District and the said city may enter
18 into a contract under which city employees, including
19 the tax collector and assessor of the city, will
20 perform certain or all administrative duties which
21 might otherwise require the employment of personnel by
22 the District.

23 Revisor's Note

24 Section 20(a), Chapter 268, Acts of the 53rd
25 Legislature, Regular Session, 1953, refers to taxes
26 "levied" by the board. The revised law substitutes
27 "imposed" for "levied" for the reason stated in
28 Revisor's Note (1) to Section 9055.059.

29 Revisor's Note
30 (End of Subchapter)

31 Section 20(a), Chapter 268, Acts of the 53rd
32 Legislature, Regular Session, 1953, establishes
33 certain procedures relating to the imposition of
34 property taxes. The revised law omits those
35 provisions as superseded by Title 1, Tax Code, which
36 was intended as a comprehensive, substantive
37 codification of all property tax law and its
38 administration. Title 1, Tax Code, was enacted by
39 Chapter 841, Acts of the 66th Legislature, Regular

1 Legislature, Regular Session, 1953, refers to a "power
2 or authority" conferred by that act. The revised law
3 omits the reference to "authority" for the reason
4 stated in Revisor's Note (1) to Section 9055.156.

5 (2) Section 9(a), Chapter 268, Acts of the 53rd
6 Legislature, Regular Session, 1953, authorizes the
7 district to issue "negotiable" bonds. The revised law
8 omits "negotiable" because under Section 1201.041,
9 Government Code, a public security is a negotiable
10 instrument. Section 1201.041 applies to district
11 bonds by application of Section 1201.002, Government
12 Code.

13 (3) Section 9(c), Chapter 268, Acts of the 53rd
14 Legislature, Regular Session, 1953, states that
15 district bonds may be issued in "more than one series
16 and from time to time." The revised law omits "more
17 than one series" because it duplicates a provision of
18 Section 1201.022, Government Code, which applies to
19 the revised law by application of Section 1201.003,
20 Government Code. The revised law omits "from time to
21 time" because the power to issue bonds implies the
22 power to do so at any time.

23 Revised Law

24 Sec. 9055.252. FORM OF BONDS. District bonds must be:

- 25 (1) issued in the district's name;
26 (2) signed by the president or vice president; and
27 (3) attested by the secretary. (Acts 53rd Leg., R.S.,
28 Ch. 268, Sec. 9(b) (part).)

29 Source Law

30 (b) Such bonds . . . shall be issued in the name
31 of the District, signed by the President or
32 Vice-President, attested by the Secretary, and . . .

33 Revisor's Note

34 Section 9(b), Chapter 268, Acts of the 53rd
35 Legislature, Regular Session, 1953, provides that

1 bonds must have the seal of the district impressed on
2 them. The revised law omits that provision because it
3 was impliedly repealed by Section 3, Bond Procedures
4 Act of 1981 (Article 717k-6, Vernon's Texas Civil
5 Statutes) (revised in pertinent part in 1999 as
6 Section 1201.026(a), Government Code), which provides
7 that bonds may be signed with or without a seal. The
8 omitted law reads:

9 (b) [Such bonds shall] . . . have the
10 seal of the District impressed
11 thereon. . . .

12 Revised Law

13 Sec. 9055.253. MATURITY. District bonds must mature not
14 later than 40 years after the date of their issuance. (Acts 53rd
15 Leg., R.S., Ch. 268, Sec. 9(b) (part).)

16 Source Law

17 (b) . . . They shall mature serially or
18 otherwise in not to exceed forty years and

19 Revisor's Note

20 Section 9(b), Chapter 268, Acts of the 53rd
21 Legislature, Regular Session, 1953, provides that
22 district bonds shall mature "serially or otherwise."
23 The revised law omits the quoted language because it
24 duplicates Section 1201.022(a)(1), Government Code,
25 applicable to the revised law by application of
26 Section 1201.002, Government Code.

27 Revised Law

28 Sec. 9055.254. ELECTION FOR BONDS PAYABLE FROM AD VALOREM
29 TAXES. (a) Bonds, other than refunding bonds, payable wholly or
30 partly from ad valorem taxes may not be issued unless authorized by
31 a district election held for that purpose at which a majority of the
32 votes cast favor the bond issuance.

33 (b) The board may order an election under this section
34 without a petition. The order must specify:

35 (1) the time and places at which the election will be

1 held;

2 (2) the purpose for which the bonds will be issued;

3 (3) the maximum amount of the bonds;

4 (4) the maximum maturity of the bonds;

5 (5) the form of the ballot; and

6 (6) the presiding judge for each voting place.

7 (c) Notice of the election must be given by publishing a
8 substantial copy of the order calling the election in a newspaper
9 published in the district for two consecutive weeks. The first
10 publication must be not later than the 21st day before the date of
11 the election. (Acts 53rd Leg., R.S., Ch. 268, Secs. 12(a) (part),
12 (b).)

13 Source Law

14 Sec. 12. (a) No bonds payable wholly or
15 partially from ad valorem taxes (except refunding
16 bonds) shall be issued unless authorized by an
17 election at which only the qualified voters who reside
18 in the District and who own taxable property therein
19 and who have duly rendered the same for taxation and
20 unless a majority of the votes cast in such election is
21 in favor of the issuance of the bonds. . . .

22 (b) Such election may be called by the Board of
23 Directors without a petition. The resolution calling
24 the election shall specify the time and places of
25 holding the same, the purpose for which the bonds are
26 to be issued, the maximum amount thereof, the maximum
27 maturity thereof, the form of the ballot, and the
28 presiding judge for each voting place. The presiding
29 judge serving at each voting place shall appoint one
30 assistant judge and two clerks to assist in holding
31 such election. Notice of the election shall be given
32 by publishing a substantial copy of such resolution in
33 a newspaper published within the District for two
34 consecutive weeks. The first publication shall be at
35 least twenty-one days prior to the election.

36 Revisor's Note

37 (1) Section 12(a), Chapter 268, Acts of the 53rd
38 Legislature, Regular Session, 1953, provides that the
39 district may not issue bonds payable from ad valorem
40 taxes unless authorized by "the qualified voters who
41 reside [in the District] and who own taxable property
42 therein and who have duly rendered the same for
43 taxation." The revised law omits the requirement that
44 voters reside in the district for the reasons stated in

1 Revisor's Note (1) to the end of Subchapter B. The
2 revised law omits the reference to voting only by
3 persons who own taxable property and render that
4 property for taxation because in Hill v. Stone, 421
5 U.S. 289 (1975), the United States Supreme Court
6 determined that property ownership as a qualification
7 for voting is an unconstitutional denial of equal
8 protection.

9 (2) Section 12(b), Chapter 268, Acts of the 53rd
10 Legislature, Regular Session, 1953, provides that an
11 election may be called by the board and refers to the
12 "resolution calling the election." The revised law
13 substitutes "order" for the quoted language because,
14 in context, "calling" an election is included in the
15 meaning of holding an election. Under Chapter 3,
16 Election Code, all elections must be ordered (called)
17 before they may be held.

18 (3) Section 12(b), Chapter 268, Acts of the 53rd
19 Legislature, Regular Session, 1953, provides that
20 "[t]he presiding judge serving at each voting place
21 shall appoint one assistant judge and two clerks to
22 assist in holding such election." The revised law
23 omits the quoted language for the reason stated in the
24 revisor's note to Section 9055.055.

25 (4) Section 12(c), Chapter 268, Acts of the 53rd
26 Legislature, Regular Session, 1953, provides that the
27 returns of a bond election shall be made to and
28 canvassed by the board. The revised law omits that
29 provision for the reason stated in Revisor's Note (2)
30 to the end of Subchapter B. The omitted law reads:

31 (c) The returns of the election shall
32 be made to and canvassed by the Board of
33 Directors of the District.

34 (5) Section 12(d), Chapter 268, Acts of the 53rd
35 Legislature, Regular Session, 1953, provides that the

1 general laws relating to elections apply to an
2 election under that section except as otherwise
3 provided by that act. The revised law omits that
4 provision because Section 1.002, Election Code,
5 provides that the Election Code applies to all
6 elections held in this state. An exception to the
7 application of the Election Code would apply by its own
8 terms. The omitted law reads:

9 (d) The General Laws relating to
10 elections shall be applicable to elections
11 held under this section of this law except
12 as otherwise provided in this law.

13 Revised Law

14 Sec. 9055.255. BONDS PAYABLE FROM REVENUE. (a) In this
15 section, "net revenue" means the gross revenue of the district
16 minus the amount necessary to pay the cost of maintaining and
17 operating the district and its property.

18 (b) Bonds issued under this subchapter may be secured under
19 board resolution by a pledge of:

20 (1) all or part of the district's net revenue;

21 (2) the net revenue of one or more contracts made
22 before or after the issuance of the bonds; or

23 (3) other revenue specified by board resolution.

24 (c) The pledge may reserve the right to issue additional
25 bonds on a parity with or subordinate to the bonds being issued,
26 subject to conditions specified by the pledge.

27 (d) Bonds not payable wholly or partly from ad valorem taxes
28 may be issued without an election. (Acts 53rd Leg., R.S., Ch. 268,
29 Secs. 9(a) (part), (d), 12(a) (part).)

30 Source Law

31 Sec. 9. (a) . . . [the District is empowered
32 to issue its . . . bonds] to be payable from such
33 revenues of the District as are pledged by resolution
34 of the Board of Directors.

35 (d) The bonds may be secured by a pledge of all
36 or part of the net revenues of the District, or by the
37 net revenues of any one or more contracts theretofore
38 or thereafter made or other revenues specified by
39 resolution of the Board of Directors. Any such pledge

1 may reserve the right, under conditions therein
2 specified, to issue additional bonds which will be on a
3 parity with or subordinate to the bonds then being
4 issued. The term "net revenues" as used in this
5 section shall mean the gross revenues of the District
6 after deduction of the amount necessary to pay the cost
7 of maintaining and operating the District and its
8 properties.

9 Sec. 12. (a) . . . Bonds not payable wholly or
10 partially from ad valorem taxes may be issued without
11 an election.

12 Revised Law

13 Sec. 9055.256. BONDS PAYABLE FROM AD VALOREM TAXES. The
14 district may issue bonds payable from:

15 (1) ad valorem taxes imposed on taxable property in
16 the district; or

17 (2) ad valorem taxes and revenue of the district.
18 (Acts 53rd Leg., R.S., Ch. 268, Sec. 9(e) (part).)

19 Source Law

20 (e) . . . the District is also empowered to
21 issue bonds payable from ad valorem taxes to be levied
22 on all taxable property therein, or to issue bonds
23 secured both by and payable from such taxes and the
24 revenues of the District. . . .

25 Revisor's Note

26 Section 9(e), Chapter 268, Acts of the 53rd
27 Legislature, Regular Session, 1953, refers to an ad
28 valorem tax "levied" on taxable property. The revised
29 law substitutes "imposed" for "levied" for the reason
30 stated in Revisor's Note (1) to Section 9055.059.

31 Revised Law

32 Sec. 9055.257. TAX AND RATE REQUIREMENTS. (a) If the
33 district issues bonds payable wholly or partly from ad valorem
34 taxes, the board shall impose a tax sufficient to pay the bonds and
35 the interest on the bonds as the bonds and interest become due. The
36 board may adopt the rate of the tax after considering the money
37 received from the pledged revenue available for payment of
38 principal and interest to the extent and in the manner permitted by
39 the resolution authorizing the issuance of the bonds.

40 (b) If the district issues bonds payable wholly or partly
41 from revenue, the board shall set and revise the rates of

1 compensation for water sold and services rendered by the district.

2 (c) For bonds payable wholly from revenue, the rates of
3 compensation must be sufficient to:

4 (1) pay the expense of operating and maintaining the
5 facilities of the district;

6 (2) pay the bonds as they mature and the interest as it
7 accrues; and

8 (3) maintain the reserve and other funds as provided
9 by the resolution authorizing the issuance of the bonds.

10 (d) For bonds payable partly from revenue, the rates of
11 compensation must be sufficient to assure compliance with the
12 resolution authorizing the issuance of the bonds. (Acts 53rd Leg.,
13 R.S., Ch. 268, Secs. 9(e) (part), (f).)

14 Source Law

15 (e) . . . Where bonds are issued payable wholly
16 or partially from ad valorem taxes, it shall be the
17 duty of the Board of Directors to levy a tax sufficient
18 to pay the bonds and the interest thereon as such bonds
19 and interest become due, but the rate of the tax for
20 any year may be fixed after giving consideration to the
21 money received from the pledged revenues which may be
22 available for payment of principal and interest to the
23 extent and in the manner permitted by the resolution
24 authorizing the issuance of the bonds.

25 (f) Where bonds payable wholly from revenues are
26 issued, it shall be the duty of the Board of Directors
27 to fix, and from time to time to revise, the rates of
28 compensation for water sold and services rendered by
29 the District which will be sufficient to pay the
30 expense of operating and maintaining the facilities of
31 the District and to pay the bonds as they mature and
32 the interest as it accrues and to maintain the reserve
33 and other funds as provided in the resolution
34 authorizing the bonds. Where bonds payable partially
35 from revenues are issued, it shall be the duty of the
36 Board to fix, and from time to time to revise, the rate
37 of compensation for water sold and services rendered
38 by the District which will be sufficient to assure
39 compliance with the resolution authorizing the bonds.

40 Revisor's Note

41 (1) Section 9(e), Chapter 268, Acts of the 53rd
42 Legislature, Regular Session, 1953, requires the board
43 of directors to "levy" an ad valorem tax. The revised
44 law substitutes "impose" for "levy" for the reason
45 stated in Revisor's Note (1) to Section 9055.059.

46 (2) Section 9(e), Chapter 268, Acts of the 53rd

1 Legislature, Regular Session, 1953, provides that the
2 rate of the ad valorem tax "for any year" may be
3 "fixed" by the board. The revised law substitutes
4 "adopt" for "fixed" to conform to the terminology used
5 in Section 26.05, Tax Code. The revised law omits "for
6 any year" because it duplicates Section 26.05(a), Tax
7 Code, which provides that the governing body of a
8 taxing unit shall adopt a tax rate annually.

9 (3) Section 9(f), Chapter 268, Acts of the 53rd
10 Legislature, Regular Session, 1953, provides that it
11 shall be the duty of the board to fix, and from "time to
12 time" to revise, the rates of compensation for water
13 sold and services rendered by the district. The
14 revised law omits the quoted language because the duty
15 to set and revise the rates of compensation includes
16 the duty to revise them from time to time.

17 Revised Law

18 Sec. 9055.258. ADDITIONAL SECURITY. (a) Bonds, including
19 refunding bonds, authorized by this subchapter that are not payable
20 wholly from ad valorem taxes may be additionally secured by a deed
21 of trust lien on physical property of the district and all
22 franchises, easements, water rights and appropriation permits,
23 leases, contracts, and all rights appurtenant to the property,
24 vesting in the trustee power to:

- 25 (1) sell the property for payment of the debt;
26 (2) operate the property; and
27 (3) take other action to further secure the bonds.

28 (b) The deed of trust may:

- 29 (1) contain any provision the board prescribes to
30 secure the bonds and preserve the trust estate;
31 (2) provide for amendment or modification of the deed
32 of trust; and
33 (3) provide for the issuance of bonds to replace lost
34 or mutilated bonds.

1 (c) A purchaser under a sale under the deed of trust:

2 (1) is the owner of the dam or dams and the other
3 property and facilities purchased; and

4 (2) is entitled to maintain and operate the property
5 and facilities. (Acts 53rd Leg., R.S., Ch. 268, Sec. 11.)

6 Source Law

7 Sec. 11. Any bonds (including refunding bonds)
8 authorized by this law, not payable wholly from ad
9 valorem taxes, may be additionally secured by a deed of
10 trust lien upon physical properties of the District
11 and all franchises, easements, water rights and
12 appropriation permits, leases, and contracts and all
13 rights appurtenant to such properties, vesting in the
14 trustee power to sell the properties for payment of the
15 indebtedness, power to operate the properties and all
16 other powers and authority for the further security of
17 the bonds. Such deed of trust may contain any
18 provisions prescribed by the Board of Directors for
19 the security of the bonds and the preservation of the
20 trust estate, and may make provision for amendment or
21 modification thereof and the issuance of bonds to
22 replace lost or mutilated bonds. Any purchaser under a
23 sale under such deed of trust shall be the owner of the
24 dam or dams and the other properties and facilities so
25 purchased and shall have the right to maintain and
26 operate the same.

27 Revised Law

28 Sec. 9055.259. USE OF BOND PROCEEDS. (a) The district may
29 set aside an amount of proceeds from the sale of bonds issued under
30 this subchapter for the payment of interest expected to accrue
31 during construction and for one year after construction in a
32 reserve interest and sinking fund. The resolution authorizing the
33 bonds may provide for setting aside and using the proceeds as
34 provided by this subsection.

35 (b) The district may use proceeds from the sale of the bonds
36 to pay any expense necessarily incurred in accomplishing the
37 purposes of the district. (Acts 53rd Leg., R.S., Ch. 268, Sec.
38 9(g).)

39 Source Law

40 (g) From the proceeds of the sale of the bonds,
41 the District may set aside an amount for the payment of
42 interest expected to accrue during construction and
43 for one year thereafter in a reserve interest and
44 sinking fund, and such provision may be made in the
45 resolution authorizing the bonds. Proceeds received
46 from the sale of the bonds may also be used for the
47 payment of all expenses necessarily incurred in

1 accomplishing the purposes for which this District is
2 created.

3 Revised Law

4 Sec. 9055.260. APPOINTMENT OF RECEIVER. (a) On default or
5 threatened default in the payment of principal of or interest on
6 bonds issued under this subchapter that are payable wholly or
7 partly from revenue, a court may, on petition of the holders of 25
8 percent of the outstanding bonds of the issue in default or
9 threatened with default, appoint a receiver for the district.

10 (b) The receiver may collect and receive all district income
11 except taxes, employ and discharge district agents and employees,
12 take charge of money on hand, except money received from taxes,
13 unless commingled, and manage the district's proprietary affairs
14 without the consent of 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 53rd Leg., R.S., Ch. 268, Sec. 9(h).)

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, upon petition of
26 the holders of 25% of the outstanding bonds of the
27 issue thus in default or threatened with default,
28 appoint a receiver with authority to collect and
29 receive all income of the District except taxes,
30 employ and discharge agents and employees of the
31 District, take charge of funds on hand (except funds
32 received from taxes unless commingled) and manage the
33 proprietary affairs of the District without consent of
34 or hindrance by the Directors. Such receiver may also
35 be authorized to sell or make contracts for the sale of
36 water or renew such contracts with the approval of the
37 court appointing him. The court may vest the receiver
38 with such other powers and duties as the court may find
39 necessary for the protection of the holders of the
40 bonds.

41 Revisor's Note

42 Section 9(h), Chapter 268, Acts of the 53rd
43 Legislature, Regular Session, 1953, refers to a court
44 "of competent jurisdiction." The revised law omits

1 the quoted language because the general laws of civil
2 jurisdiction determine which courts have "competent
3 jurisdiction" over the matter.

4 Revised Law

5 Sec. 9055.261. REFUNDING BONDS. (a) The district may issue
6 refunding bonds to refund outstanding bonds issued under this
7 subchapter and 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.

14 (c) The provisions of this subchapter regarding the
15 issuance of other bonds and the remedies of the holders apply to
16 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 interest on the bonds to
26 be refunded to their option date or maturity date, and the
27 comptroller shall register the refunding bonds without the
28 surrender and cancellation of the bonds to be refunded. (Acts 53rd
29 Leg., R.S., Ch. 268, Sec. 10.)

30 Source Law

31 Sec. 10. The District is authorized to issue
32 refunding bonds for the purpose of refunding any
33 outstanding bonds authorized by this Act and interest
34 thereon. Such refunding bonds may be issued to refund
35 more than one series of outstanding bonds and combine
36 the pledges for the outstanding bonds for the security
37 of the refunding bonds, and may be secured by other or

1 additional revenues. The provisions of this law with
2 reference to the issuance of other bonds and their
3 approval by the Attorney General and the remedies of
4 the holders shall be applicable to refunding bonds.
5 Refunding bonds shall be registered by the Comptroller
6 upon surrender and cancellation of the bonds to be
7 refunded, but in lieu thereof, the resolution
8 authorizing their issuance may provide that they shall
9 be sold and the proceeds thereof deposited in the bank
10 where the original bonds are payable, in which case the
11 refunding bonds may be issued in an amount sufficient
12 to pay the interest on the original bonds to their
13 option date or maturity date, and the Comptroller
14 shall register them without concurrent surrender and
15 cancellation of the original bonds.

16 Revisor's Note

17 Section 10, Chapter 268, Acts of the 53rd
18 Legislature, Regular Session, 1953, refers to the
19 "approval by the Attorney General" of refunding bonds.
20 The revised law omits the quoted language because it is
21 superseded by Section 1202.003, Government Code,
22 enacted in 1987 as Section 3.002(a), Chapter 53, Acts
23 of the 70th Legislature, 2nd Called Session (Article
24 717k-8, Vernon's Texas Civil Statutes), which provides
25 for approval of public securities by the attorney
26 general. That section applies to bonds issued by the
27 district by application of Section 1202.001,
28 Government Code.

29 Revised Law

30 Sec. 9055.262. BONDS EXEMPT FROM TAXATION. A bond issued
31 under this subchapter, the transfer of the bond, and income from the
32 bond, including profits made on the sale of the bond, are exempt
33 from taxation in this state. (Acts 53rd Leg., R.S., Ch. 268, Sec.
34 19 (part).)

35 Source Law

36 Sec. 19. . . . the bonds issued hereunder and
37 their transfer and the income therefrom, including the
38 profits made on the sale thereof, shall at all times be
39 free from taxation within this State.

40 Revisor's Note
41 (End of Subchapter)

42 (1) Section 9(b), Chapter 268, Acts of the 53rd
43 Legislature, Regular Session, 1953, provides that

1 district bonds may be sold at a price and under terms
2 that the board determines to be the most advantageous
3 reasonably obtainable. The revised law omits that
4 provision because it duplicates or is superseded by
5 provisions of general law. Section 1204.006(b),
6 Government Code, enacted as Section 2(a), Chapter 3,
7 Acts of the 61st Legislature, Regular Session, 1969
8 (Article 717k-2, Vernon's Texas Civil Statutes),
9 provides that an issuer may sell public securities at
10 any price. Section 1204.006(b) applies to district
11 bonds by application of Section 1204.001, Government
12 Code. Section 1201.022, Government Code, was amended
13 by Section 1, Chapter 769, Acts of the 77th
14 Legislature, Regular Session, 2001, to provide that an
15 issuer may sell public securities "under the terms
16 determined by the governing body of the issuer to be in
17 the issuer's best interests." Section 1201.022
18 applies to district bonds by application of Section
19 1201.002, Government Code. The omitted law reads:

20 (b) . . . [bonds] . . . may be sold
21 at a price and under terms determined by the
22 Board of Directors to be the most
23 advantageous reasonably obtainable,
24

25 (2) Section 9(b), Chapter 268, Acts of the 53rd
26 Legislature, Regular Session, 1953, provides that
27 district bonds may bear interest at a rate not to
28 exceed six percent. The revised law omits that
29 provision because it is superseded by other law.
30 Section 9(b) was enacted in 1953 and was impliedly
31 amended by the subsequent enactment of Chapter 3, Acts
32 of the 61st Legislature, Regular Session, 1969
33 (Article 717k-2, Vernon's Texas Civil Statutes), now
34 Chapter 1204, Government Code. Section 1204.006,
35 Government Code, reflecting the 1981 amendment of
36 Article 717k-2 by Section 1, Chapter 61, Acts of the

1 67th Legislature, Regular Session, permits a public
2 agency to issue public securities at any net effective
3 interest rate of 15 percent or less. Section 1204.006,
4 Government Code, applies to district bonds by
5 application of Section 1204.001, Government Code. The
6 omitted law reads:

7 (b) . . . [bonds . . . may be sold
8 . . . under terms determined by the Board of
9 Directors] . . . provided that the interest
10 cost to the District, calculated by use of
11 standard bond interest tables currently in
12 use by insurance companies and investment
13 houses does not exceed 6% per annum, and
14

15 (3) Section 9(b), Chapter 268, Acts of the 53rd
16 Legislature, Regular Session, 1953, provides that
17 district bonds may be called, or redeemed, before
18 maturity at the time and price specified in the
19 resolution authorizing the bonds. The revised law
20 omits that provision because it duplicates Sections
21 1201.021 and 1201.022, Government Code, which provide
22 that a public security may be redeemed before maturity
23 and be payable in specified amounts and at specified
24 times. Those sections apply to district bonds by the
25 application of Section 1201.002, Government Code. The
26 omitted law reads:

27 (b) . . . [bonds] . . . within the
28 discretion of the Board, may be made
29 callable prior to maturity at such times and
30 prices as may be prescribed in the
31 resolution authorizing the bonds, and
32

33 (4) Section 9(b), Chapter 268, Acts of the 53rd
34 Legislature, Regular Session, 1953, provides that
35 district bonds may be registered as to principal or as
36 to principal and interest. The revised law omits that
37 provision because it duplicates Section 1201.024,
38 Government Code. That section applies to district
39 bonds by the application of Section 1201.002,
40 Government Code. The omitted law reads:

1 (b) . . . [bonds] . . . may be made
2 registrable as to principal or as to both
3 principal and interest.

4 (5) Section 13, Chapter 268, Acts of the 53rd
5 Legislature, Regular Session, 1953, requires the
6 district to deliver bonds it issues to the attorney
7 general for examination and approval. Section 13 also
8 requires the attorney general to approve district
9 bonds if the bonds were authorized under law. In
10 addition, Section 13 provides that after approval the
11 bonds must be registered with the comptroller and that
12 after approval and registration the bonds are
13 incontestable. The revised law omits those provisions
14 as superseded by Chapter 1202, Government Code
15 (enacted as Article 3, Chapter 53, Acts of the 70th
16 Legislature, 2nd Called Session, 1987). Section
17 1202.003, Government Code, provides for approval of
18 the bonds by the attorney general and requires the
19 attorney general to submit the approved bonds to the
20 comptroller for registration. Section 1202.005,
21 Government Code, requires registration of the bonds by
22 the comptroller. Section 1202.006, Government Code,
23 provides that after approval and registration the
24 bonds are incontestable and binding obligations.
25 Chapter 1202, Government Code, applies to district
26 bonds by application of Sections 1202.001 and
27 1202.003(c), Government Code. The omitted law reads:

28 Sec. 13. After any bonds are
29 authorized by the District, such bonds and
30 the record relating to their issuance shall
31 be submitted to the Attorney General for his
32 examination as to the validity
33 thereof. . . . If such bonds have been
34 authorized and . . . in accordance with the
35 Constitution and laws of the State of Texas,
36 he shall approve the bonds and . . . the
37 bonds then shall be registered by the
38 Comptroller of Public Accounts.
39 Thereafter, the bonds, and . . . shall be
40 valid and binding and shall be
41 incontestable for any cause.

1 (6) Section 13, Chapter 268, Acts of the 53rd
2 Legislature, Regular Session, 1953, details various
3 procedures regarding approval of bond contracts and
4 proceedings by the attorney general. The revised law
5 omits the portion of Section 13 regarding the validity
6 and incontestability of a contract the proceeds of
7 which are pledged to the payment of a bond as impliedly
8 repealed by Section 1202.006, Government Code (enacted
9 as Section 3.002(d), Chapter 53, Acts of the 70th
10 Legislature, 2nd Called Session, 1987). Section
11 1202.006, Government Code, provides that after
12 approval and registration of the bond, the bond and
13 contract are not contestable for any reason. Section
14 1202.006 applies to district bonds by application of
15 Sections 1202.001 and 1202.003(c), Government Code.
16 The omitted law reads:

17 Sec. 13. . . . Where such bonds
18 recite that they are secured by a pledge of
19 the proceeds of a contract theretofore made
20 between the District and any city or other
21 governmental agency or district, a copy of
22 such contract and the proceedings of the
23 city or other governmental agency or
24 district authorizing such contract shall
25 also be submitted to the Attorney
26 General. . . . if such contracts have been
27 made [in accordance with the Constitution
28 and laws of the State of Texas, he shall
29 approve] . . . such contracts and
30 [Thereafter,] . . . the contracts, if any,
31 [shall be valid and . . . shall be
32 incontestable for any cause.]

33 (7) Section 17, Chapter 268, Acts of the 53rd
34 Legislature, Regular Session, 1953, provides that the
35 district is a water control and improvement district
36 within the meaning of Chapter 349, Acts of the 49th
37 Legislature, Regular Session, 1945 (Article 1110a,
38 Vernon's Texas Civil Statutes), and has the powers
39 conferred by that chapter. The purpose and effect of
40 Section 17 is unclear since Article 1110a granted
41 powers to certain municipalities rather than to water

1 control and improvement districts and because Section
2 17 states that any powers made applicable to the
3 district by Chapter 268 apply to the district.
4 Regardless of the purpose or effect of that provision,
5 however, the revised law omits that provision because
6 Article 1110a was repealed by Section 28(a), Chapter
7 227, Acts of the 76th Legislature, Regular Session,
8 1999. See Revisor's Note (12) to the end of Subtitle J,
9 Title 9, Government Code. The omitted law reads:

10 Sec. 17. This District is hereby
11 constituted and declared to be a Water
12 Control and Improvement District within the
13 meaning of Chapter 349, Acts of the 49th
14 Legislature, authorizing water supply
15 contracts between cities and Water Control
16 and Improvement District, and, in addition
17 to the powers conferred by this Act, this
18 District shall have all of the powers
19 conferred by said Chapter 349. It is
20 provided, however, that only those
21 provisions of the laws relating to Water
22 Control and Improvement Districts which are
23 expressly made applicable to this District
24 by this Act shall be applicable to this
25 District.

26 (8) Section 18, Chapter 268, Acts of the 53rd
27 Legislature, Regular Session, 1953, lists the entities
28 for which district bonds are legal investments and
29 provides that district bonds may secure deposits of
30 public funds of the state or political subdivisions.
31 The revised law omits the provision relating to the
32 eligibility of district bonds to be considered as
33 investments for various entities because it duplicates
34 Section 49.186(a), Water Code. While Section 18 lists
35 "guardians" and Section 49.186(a), Water Code, does
36 not, Section 49.186(a) includes "fiduciaries," and a
37 guardian is a fiduciary. The revised law omits the
38 provision relating to deposits of state funds as
39 impliedly repealed by Section 404.0221, Government
40 Code (enacted in 1995), which lists eligible
41 collateral for deposits of state funds by the

1 comptroller. As to deposits of other funds, the
2 provision is impliedly repealed by Chapter 2257,
3 Government Code (enacted as Chapter 627, Acts of the
4 71st Legislature, Regular Session, 1989), which
5 governs eligible collateral for deposits of funds of
6 other public agencies, including political
7 subdivisions, and permits those deposits to be secured
8 by obligations issued by conservation and reclamation
9 districts. The omitted law reads:

10 Sec. 18. All bonds of the District
11 shall be and are hereby declared to be legal
12 and authorized investments for banks,
13 savings banks, trust companies, building
14 and loan associations, savings and loan
15 associations, insurance companies,
16 fiduciaries, trustees, guardians, and for
17 the sinking funds of cities, towns,
18 villages, counties, school districts, or
19 other political corporations or
20 subdivisions of the State of Texas. Such
21 bonds shall be eligible to secure the
22 deposit of any and all public funds of the
23 State of Texas, and any and all public funds
24 of cities, towns, villages, counties,
25 school districts, or other political
26 corporations or subdivisions of the State
27 of Texas; and such bonds shall be lawful and
28 sufficient security for said deposits to
29 the extent of their value, when accompanied
30 by all unmatured coupons appurtenant
31 thereto.

32 Revisor's Note
33 (End of Chapter)

34 (1) Section 22, Chapter 268, Acts of the 53rd
35 Legislature, Regular Session, 1953, provides that the
36 act is severable. The revised law omits the provision
37 because it duplicates Section 311.032, Government Code
38 (Code Construction Act), which states that a provision
39 of a statute is severable from each other provision of
40 the statute that can be given effect. The omitted law
41 reads:

42 Sec. 22. If any provision of this Act
43 or the application thereof to any person or
44 circumstances shall be held to be invalid or
45 unconstitutional, the remainder of the Act,
46 and the application of such provision to
47 other persons or circumstances, shall not
48 be affected thereby.

1 (2) Section 23, Chapter 268, Acts of the 53rd
2 Legislature, Regular Session, 1953, and Section 8,
3 Chapter 76, Acts of the 59th Legislature, Regular
4 Session, 1965, state that notice of the intention to
5 apply for the passage of those acts was published in
6 the manner provided by law. The revised law omits
7 those provisions as executed. The omitted law reads:

8 [Ch. 268, Acts 53rd Leg., R.S.]

9 Sec. 23. It is hereby found that
10 notice of intention to apply for the passage
11 of this Act has been published in the
12 locality where the matter and things to be
13 affected hereby are situated, which notice
14 stated the substance of this law, and was
15 published at least thirty days prior to the
16 introduction into the Legislature of this
17 bill and the time, form and manner of giving
18 said notice is hereby approved, validated
19 and ratified. The evidence of the foregoing
20 was exhibited in the Legislature before the
21 passage of this Act.

22 [Ch. 76, Acts 59th Leg., R.S.]

23 Sec. 8. Proof of Publication of the
24 Constitutional notice required in the
25 enactment hereof under the provisions of
26 paragraph (d) of Section 59 of Article XVI
27 of the Texas Constitution has been made in
28 the manner provided therein and a copy of
29 said notice and the bill as originally
30 introduced have been delivered to the
31 Governor of the State of Texas as required
32 in such constitutional provision, and such
33 notice and delivery are hereby found and
34 declared to be proper and sufficient to
35 satisfy such requirements.