

By: Schwertner

S.B. No. 1067

A BILL TO BE ENTITLED

AN ACT

relating to the dissolution of the Chisholm Trail Special Utility District.

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

SECTION 1. Subtitle C, Title 6, Special District Local Laws Code, is amended by adding Chapter 7219 to read as follows:

CHAPTER 7219. CHISHOLM TRAIL SPECIAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7219.001. DEFINITIONS. In this chapter:

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

(2) "City" means the City of Georgetown.

(3) "District" means the Chisholm Trail Special Utility District.

SUBCHAPTER B. DISSOLUTION OF DISTRICT

Sec. 7219.051. PROPOSAL FOR DISSOLUTION; NOTICE. (a) If a majority of the board votes to propose to dissolve the district, the board may issue notice of a hearing on a proposal to dissolve the district.

(b) Not later than the 14th day before the date set for the hearing, notice of the hearing must:

(1) be posted at the courthouse of each county in which the district is located and at the district's office; and

(2) be published at least one time in a newspaper of general circulation in each county in which the district is

1 located.

2 Sec. 7219.052. HEARING AND ORDER. (a) At the hearing, held
3 at the time and place stated in the notice under Section 7219.051,
4 the board shall:

5 (1) hear all interested persons;

6 (2) consider whether the best interests of the persons
7 and property in the district will be served by dissolving the
8 district; and

9 (3) vote on whether to dissolve the district.

10 (b) If two-thirds of the members of the board vote to
11 dissolve the district, the board shall enter a finding in its
12 records that the district will be dissolved after completion of the
13 process to transfer to the city the district's certificate of
14 convenience and necessity and other assets and liabilities under
15 Section 7219.053. After the district's certificate of convenience
16 and necessity and other assets and liabilities are transferred to
17 the city under Section 7219.053, the board shall enter an order in
18 its records dissolving the district.

19 (c) If two-thirds of the members of the board do not vote to
20 dissolve the district, the board shall enter an order in its records
21 providing that the district is not to be dissolved.

22 Sec. 7219.053. ASSUMPTION OF OPERATION, MANAGEMENT, AND
23 ASSETS AND LIABILITIES OF DISTRICT. (a) On the date the board enters
24 a finding under Section 7219.052(b) that the district will be
25 dissolved, the city shall assume:

26 (1) control of the operation and management of the
27 affairs of the district, to the extent that the operation and

1 management was not previously assumed by the city by contractual
2 agreement;

3 (2) all rights, duties, and obligations of the
4 district, including existing contracts, duties, assets, property,
5 easements, financial obligations, and liabilities of the district,
6 to the extent that those rights, duties, and obligations were not
7 previously assumed by the city by contractual agreement;

8 (3) all files, records, and accounts of the district,
9 including those that pertain to the control, finances, management,
10 and operation of the district; and

11 (4) all permits, approvals, and licenses of the
12 district.

13 (b) To the extent that the assumption of an item listed in
14 Subsection (a) requires the approval of a state agency, the state
15 agency shall grant approval without additional notice or hearing.

16 (c) This section does not enhance or harm the position of a
17 contracting party.

18 Sec. 7219.054. REVIEW OF BOARD'S ORDER. The board's order
19 dissolving the district is final and may not be appealed in any
20 manner to any judicial, administrative, or other tribunal if the
21 board's order is entered after the completion of the process to
22 transfer the district's certificate of convenience and necessity,
23 including any necessary approval of a state agency.

24 SECTION 2. This Act takes effect immediately if it receives
25 a vote of two-thirds of all the members elected to each house, as
26 provided by Section 39, Article III, Texas Constitution. If this
27 Act does not receive the vote necessary for immediate effect, this

S.B. No. 1067

1 Act takes effect September 1, 2017.