SPECIAL DISTRICT LOCAL LAWS CODE TITLE 6. WATER AND WASTEWATER SUBTITLE K. SEAWALL COMMISSIONS CHAPTER 9502. GULF COAST PROTECTION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9502.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Director" means a board member.
- (3) "District" means the Gulf Coast Protection District.
- (4) "Ecosystem restoration report" means the Sabine Pass to Galveston Bay, Texas Coastal Storm Risk Management and Ecosystem Restoration Final Integrated Feasibility Report—Environmental Impact Statement issued by the Galveston District, Southwestern Division, of the United States Army Corps of Engineers in May 2017.
- (5) "Protection and restoration study" means the Coastal Texas Protection and Restoration Feasibility Study Final Integrated Feasibility Report and Environmental Impact Statement to be issued by the Galveston District, Southwestern Division, of the United States Army Corps of Engineers, the draft version of which was issued in October 2020.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0102. NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0103. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) The creation of the district is essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

- (b) The creation of the district is necessary to establish an instrumentality for protecting the coast in Chambers, Galveston, Harris, Jefferson, and Orange Counties, and territory annexed to the district under Section 9502.0104(b), in the manner provided by this chapter.
- (c) The district is created to serve a public use and benefit.
- (d) All land and other property included in the boundaries of the district will benefit from the works and projects accomplished by the district.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 552 (H.B. 5409), Sec. 1, eff. June 10, 2023.

Sec. 9502.0104. DISTRICT TERRITORY. (a) The district is composed of the territory in Chambers, Galveston, Harris, Jefferson, and Orange Counties and territory annexed to the district as described by Subsection (b).

(b) The governing body of the district by order shall annex to the district the territory of a county included in the protection and restoration study at the request of the commissioners court of that county.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0105. APPLICATION OF SUNSET ACT. (a) The district is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2035, and every 12th year after that year.

- (b) The limited review under this section must assess the district's:
 - (1) governance;

- (2) management;
- (3) operating structure; and
- (4) compliance with legislative requirements.
- (c) The district shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the district shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.
- (d) The district may not be required to conduct a management audit under 30 T.A.C. Chapter 292.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 941 (S.B. 1659), Sec. 3.11, eff. June 18, 2023.

SUBCHAPTER B. BOARD OF DIRECTORS

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 2970, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 9502.0201. GOVERNING BODY; TERMS. (a) The district is initially governed by a board of 11 directors.

- (b) The commissioners courts of Chambers County, Galveston County, Harris County, Jefferson County, and Orange County each shall appoint one director.
- (c) The governor, with the advice and consent of the senate, shall appoint six directors as follows:
- (1) two directors to represent Harris County, in addition to the member appointed by the commissioners court under Subsection (b);
- (2) one director to represent a municipality in the district;
 - (3) one director to represent ports;
 - (4) one director to represent industry; and
 - (5) one director to represent environmental concerns.

- (c-1) If the territory of a county is annexed to the district under Section 9502.0104(b):
- (1) the commissioners court of the county shall appoint one additional director; and
- (2) the governor, with the advice and consent of the senate, shall appoint one additional director as needed to ensure the board has an odd number of directors.
- (d) In making the appointments required by Subsections (c) and (c-1), the governor shall ensure that residents of a single county do not make up a majority of the directors.
 - (e) The governor shall consult with:
- (1) the commissioners court of Harris County in making the appointments required by Subsection (c)(1); and
- (2) municipalities in the district in making the appointment required by Subsection (c)(2).
 - (f) Directors serve staggered four-year terms.
- (g) When a director's term expires, the appointing entity shall appoint a successor.
- (h) If a director's office becomes vacant by death, resignation, or removal, the appointing entity shall appoint a director to serve for the remainder of the unexpired term.
- (i) The board shall elect a presiding officer from among the directors to serve in that position for two years. A director may serve as the presiding officer for not more than two consecutive terms.
- (j) Notwithstanding Subsection (f), the governor shall designate from the 11 initial directors 5 directors to serve a first term of two years. This subsection expires September 1, 2025.

 Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 552 (H.B. 5409), Sec. 2, eff. June 10, 2023.

Sec. 9502.0202. QUALIFICATION. (a) To qualify for office, a director must be a registered voter who resides in the district.

(b) To qualify for office, a director described by Section

9502.0201(b), (c)(1) or (2), or (c-1)(1) must be a resident of the county or municipality the person is appointed to represent.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 552 (H.B. 5409), Sec. 3, eff. June 10, 2023.

Sec. 9502.0203. CERTAIN CONFLICTS PROHIBITED. (a) An individual is not eligible to serve as a director if, in the preceding 24 months, the individual had an interest in or was employed by or affiliated with a person who has submitted a bid or entered into a contract for a district project.

- (b) The board may not employ or appoint an individual described by Subsection (a) to work for the district.
- (c) A director may not acquire a direct or indirect interest in a district project.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0204. REIMBURSEMENT. A director is not entitled to compensation but is entitled to reimbursement for necessary expenses incurred in carrying out the duties and responsibilities of the board.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0205. VOTING. A concurrence of a majority of the directors is required for transacting any business of the district. Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0206. TEMPORARY EXECUTIVE DIRECTOR. The governor shall appoint a temporary executive director for the district to serve until the initial board members hire an executive director for the district.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1,

SUBCHAPTER C. POWERS AND DUTIES

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 2970, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 9502.0301. GENERAL DISTRICT POWERS. (a) Except as otherwise provided by this section, the district may:

- (1) establish, construct, extend, maintain, operate, or improve a coastal barrier or storm surge gate in the manner provided by Chapter 571, Local Government Code, for a county to establish, construct, extend, maintain, or improve a seawall;
- (2) exercise the authority granted to counties to conduct any project described by Chapter 571, Local Government Code;
- (3) establish, construct, and maintain recreational facilities for public use and environmental mitigation facilities related to a project described by Subdivision (1) or (2);
- (4) establish, construct, maintain, or operate a project recommended in the ecosystem restoration report or the protection and restoration study; and
- (5) provide interior drainage remediation or improvements to reduce additional flood risk for a project recommended in the ecosystem restoration report where additional flood risk results from the design or construction of a project described by Subdivision (1), (2), or (4).
- (b) Sections 571.006, 571.007, 571.008, 571.009, and 571.010, Local Government Code, do not apply to the district.
- (c) Before implementing a project described by Subsection (a), the district shall consult with local, state, and federal entities to determine whether an environmental remediation response action is anticipated or located near or at the proposed location of the project.
- (d) If implementation of a project described by Subsection(a) disrupts, wholly or partly, an ongoing or planned environmental

remediation response action, the district shall:

- (1) consult with the responsible party of the environmental remediation response action; and
- (2) coordinate implementation of the project in a manner that does not disrupt the environmental remediation response action.
- (e) If implementation of a project described by Subsection (a) disrupts, wholly or partly, the operations of or requires the use of property owned by a port authority, navigation district, or drainage district the district shall:
- (1) consult with the authority or district, as applicable;
- (2) consider reasonable changes in the project to mitigate the effects of the project on the operations or property, including changes proposed by the authority or district, as applicable; and
- (3) consider reasonable changes in the implementation of the project requested by the authority or district, as applicable, to mitigate the effects of the project on the operations or property.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 552 (H.B. 5409), Sec. 4, eff. June 10, 2023.

- Sec. 9502.0302. TAXES AND BONDS. (a) The district must hold an election in the manner provided by Chapter 49, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.
- (b) The board may impose the tax at a rate not to exceed 5 cents on each \$100 valuation.
- (c) The district, without an election, may issue bonds, notes, or other obligations secured by revenue other than ad valorem taxes.
- (d) The district may grant an abatement for a tax owed to the district in the manner provided by Chapter 312, Tax Code.

Sec. 9502.0303. REQUIREMENTS FOR CERTAIN PROJECTS. If the district enters into an agreement with another entity to implement a project recommended in the ecosystem restoration report or the protection and restoration study, the district:

- (1) shall develop a maintenance and operation plan for the project;
- (2) may enter into a partnership with a private entity to fund a local share of the cost of the project; and
- (3) may use any available money to provide matching funds to the United States Army Corps of Engineers to implement the project.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0304. ACQUISITION AND DISPOSITION OF PROPERTY AND RIGHTS. (a) The district may purchase, lease, acquire by gift, maintain, use, and operate property of any kind appropriate for the exercise of the district's functions, including acquiring property by mutual agreement with a navigation district or a drainage district.

(b) The district may acquire permits, licenses, and rights related to the exercise of the district's functions. Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0305. COSTS OF RELOCATION OF PROPERTY; EASEMENTS.

(a) In the event that the district, in the exercise of the power of eminent domain or power of relocation or any other power, makes necessary the relocation, raising, lowering, rerouting, or change in grade of or alteration in construction of any electric transmission or distribution line or telephone properties, facilities, or pipelines, all necessary relocations, raising, lowering, rerouting, or change in grade or alteration of construction shall be done at the sole expense of the district.

- (b) In this section, "sole expense" means the actual cost of the relocation, raising, lowering, rerouting, or change in grade or alteration of construction and providing comparable replacement without enhancing the facilities after deducting from it the net salvage value derived from the old facility.
- (c) The district has all necessary or useful rights-of-way and easements along, over, under, and across all public, state, municipal, and county roads, highways, and places for any of its purposes. The district shall restore a used facility to its previous condition as nearly as possible at the sole expense of the district.
- (d) The district may acquire, sell, lease, convey, or otherwise dispose of a right-of-way or easement under terms and conditions determined by the district.

Sec. 9502.0306. AGREEMENTS. (a) The district may enter into a cooperative agreement with a political subdivision, a state agency, the United States Army Corps of Engineers, or another federal agency for a purpose related to the study, design, construction, operation, or maintenance of a district project.

(b) The district may enter into an interlocal agreement with a political subdivision for a purpose related to the study, design, construction, operation, or maintenance of a district project to include the acceptance of the assignment of rights or obligations in an existing design agreement or a project partnership agreement between the political subdivision and the United States Army Corps of Engineers.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0307. CONTRACTS GENERALLY. (a) The district may enter into contracts and execute instruments that are necessary or convenient to the exercise of the district's powers, rights, duties, and functions. A contract may be for any term, including for the life of any facility or structure in the territory of the

district.

- (b) The district and another governmental entity may enter into a contract for the operation or maintenance of an authorized project in the same way that a political subdivision may contract with another governmental entity under Chapter 472, Transportation Code, to construct or maintain a road or highway.
- (c) The district may enter into a project partnership agreement with the United States Army Corps of Engineers for the study, design, construction, operation, and maintenance of a project recommended in the ecosystem restoration report or the protection and restoration study.
- (d) A public agency or political subdivision is authorized to:
 - (1) enter into a contract with the district;
- (2) determine, agree, and pledge that all or any part of its payments under a contract with the district shall be payable from any source, subject only to the authorization by a majority vote of the governing body of such public agency or political subdivision of the contract, pledge, and payments;
- (3) use and pledge any available revenues or resources for and to the payment of amounts due under a contract with the district as an additional source of payment or as the sole source of payment and agree with the district to assure the availability of revenue and resources when required; and
- (4) fix, charge, and collect impact fees and utility charges, if the public agency or political subdivision is otherwise authorized to impose the fees and charges, and to use and pledge revenue from the fees or charges to make payments to the district required under a contract with the district.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0308. REQUIREMENTS FOR CERTAIN CONTRACTS.

(a) Chapter 2269, Government Code, applies to the district's public work contracts, as defined by Section 2269.001, Government Code. Section 2269.003(d), Government Code, does not apply to the district.

(b) The district shall comply with Subchapter A, Chapter

Sec. 9502.0309. CONFLICT WITH ORDER OR ACTION OF ANOTHER POLITICAL SUBDIVISION. An order or action of the Harris County Flood Control District, a river authority, a port authority, a navigation district, or a drainage district relating to the operation or maintenance of a district project supersedes an order or action of the district to the extent of any conflict.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0310. AUTHORITY TO DEVELOP BARRIER CLOSURE PROCEDURES. If the district implements a project to create a coastal barrier, the district shall develop closure procedures in conjunction with each board of trustees established under Chapter 54, Transportation Code, port authority, navigation district, and drainage district affected by the barrier or closure. For the Texas City Channel, the district shall develop closure procedures with any common carrier terminal railroad providing rail and maritime terminal services to the users of the navigation channel. Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0311. ANNUAL REPORT REQUIRED. The district shall annually submit a report to the legislature, the Legislative Budget Board, the General Land Office, and the commissioners court of each county in which the district is located. The report must:

- (1) describe the district's financial condition and operations during the preceding year;
 - (2) propose a budget for the following year; and
- (3) describe generally the work proposed for the following year.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.

Sec. 9502.0312. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain to acquire a fee simple or other interest in any type of property if the interest is necessary or convenient for the exercise of the district's functions. The district must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code.

(b) The district may not exercise the power of eminent domain to acquire property owned or operated by a port authority, navigation district, drainage district, or common carrier railroad.

Added by Acts 2021, 87th Leg., R.S., Ch. 872 (S.B. 1160), Sec. 1, eff. June 16, 2021.