

WATER CODE

TITLE 4. GENERAL LAW DISTRICTS

CHAPTER 66. STORMWATER CONTROL DISTRICTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 66.001. DEFINITIONS. In this chapter:

(1) "District" means a stormwater control district.

(2) "Commission" means the Texas Natural Resource Conservation Commission.

(3) "Executive director" means the executive director of the Texas Natural Resource Conservation Commission.

(4) "Board" means the board of directors of a district.

(5) "Director" means a member of the board.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.
Amended by Acts 1987, 70th Leg., ch. 977, Sec. 36, eff. June 19, 1987; Acts 1991, 72nd Leg., 1st C.S., ch. 3, Sec. 1.083, eff. Aug. 12, 1991.

SUBCHAPTER B. CREATION OF DISTRICT

Sec. 66.011. CREATION. A stormwater control district may be created pursuant to Article XVI, Section 59, of the Texas Constitution, as provided by this subchapter.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.012. PURPOSE OF DISTRICT. A district may be created to control stormwater and floodwater and to control and abate harmful excesses of water for the purpose of preventing area and downstream flooding in all or part of a watershed.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.013. COMPOSITION OF DISTRICT. A district may be composed of contiguous or noncontiguous areas within all or part of the watershed of a river, stream, creek, or bayou.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.014. PETITION. (a) To create a district, a person or the commissioners courts in the counties in which all or part of the district is to be located shall file a petition with the executive director requesting creation of the district.

(b) The petition must be signed by at least 50 persons who reside within the boundaries of the proposed district or by a majority of the members of the commissioners court in each county in which all or part of the district is to be located.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.015. CONTENTS OF PETITION. The petition must include:

(1) a description of the boundaries of the proposed district by metes and bounds or by lot and block number, if there is a recorded map or plat and survey of the area;

(2) a statement of the general nature of the work proposed to be done by the district and the estimated cost of any work to be done by the district; and

(3) the proposed name of the district.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.016. DISTRICT NAME. (a) A district shall be named the _____ (Insert name of county, river, stream, creek, or bayou in district) Stormwater Control District.

(b) A district may not have the same name as any other district.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.018. NOTICE AND HEARING ON DISTRICT CREATION. If a petition is filed under Section 66.014, the commission shall give notice of an application as required by Section 49.011 and may conduct a hearing if the commission determines that a hearing is necessary under Section 49.011.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 1995, 74th Leg., ch. 76, Sec. 5.95(49), eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 1070, Sec. 44, eff. Sept. 1,

1997.

Sec. 66.019. COMMISSION FINDINGS AND DECISION. (a) After considering the petition, the commission shall grant the petition if it finds that:

(1) the petition conforms to the requirements of Sections 66.014 and 66.015; and

(2) the projects proposed by the district are feasible and practicable, are necessary, and will be a benefit to land included in the district.

(b) In making its decision, if the commission finds that a part of the land to be included in the district will not be benefited by creation of the district, the commission shall make this finding, exclude the nonbenefited land from the proposed district, and redraw the boundaries of the proposed district to conform to this change.

(c) The commission shall deny the petition if it finds that:

(1) the petition does not conform to the requirements of Sections 66.014 and 66.015 of this code; or

(2) the projects proposed for the district are not feasible, practicable, or necessary, or will not benefit any of the land proposed to be included in the district.

(d) A copy of the commission's order including its findings and decision shall be mailed to the petitioners as provided by rules of the commission.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 1987, 70th Leg., ch. 977, Sec. 37, eff. June 19, 1987; Acts 1997, 75th Leg., ch. 1070, Sec. 45, eff. Sept. 1, 1997.

Sec. 66.020. APPEAL OF COMMISSION ORDER. The order of the commission granting or denying a petition may be appealed as provided by Chapter 2001, Government Code.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 1995, 74th Leg., ch. 76, Sec. 5.95(49), eff. Sept. 1, 1995.

Sec. 66.021. TEMPORARY DIRECTORS. (a) If the commission

grants the petition, it shall appoint five persons who reside within the boundaries of the proposed district to serve as temporary directors until the initial regular directors are elected.

(b) The person who submits the petition for creation of the district shall submit a list of at least five persons for appointment as temporary directors, and the commission shall consider those recommendations when making the appointments.

(c) The temporary directors must have the same qualifications for office as provided by Section 66.102 of this code for permanent directors.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

SUBCHAPTER C. ADMINISTRATIVE PROVISIONS

Sec. 66.101. BOARD OF DIRECTORS. A district shall be governed by a board of directors composed of five members, who are elected as provided in Chapter 49.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 1995, 74th Leg., ch. 715, Sec. 37, eff. Sept. 1, 1995.

Sec. 66.102. QUALIFICATION OF DIRECTORS. To serve as a director, a person must be at least 18 years old, a qualified voter, and a resident of the district.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.118. RULES. After notice and hearing, the board shall adopt rules to carry out this chapter, including rules providing procedures for giving notice and holding hearings before the board.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

SUBCHAPTER D. POWERS AND DUTIES

Sec. 66.201. GENERAL POWERS. The district may:

- (1) acquire land to construct facilities for the

district;

(2) construct regional stormwater retention and detention pond facilities to retain stormwater runoff and to prevent area and downstream flooding in the district;

(3) construct outfall drainage ditches and similar facilities to control stormwater and floodwater and prevent area and downstream flooding;

(4) provide for and use the land on which regional stormwater retention and detention pond facilities are located for park and recreational areas when the area is not used for holding water;

(5) provide financing for land and facilities and for construction of facilities from money obtained from sources provided by this chapter and other laws of this state;

(6) advise, consult, contract, cooperate with, and enter into agreements with the federal government and its agencies, the state and its agencies, local governments, and persons; and

(7) apply for, accept, receive, and administer gifts, grants, loans, and other funds available from any source.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.202. PLAN FOR FACILITIES. (a) Before the district begins to acquire land and construct facilities, the district engineer under the supervision of the board shall prepare a detailed plan for the location of stormwater retention and detention ponds and outfall drainage ditches or other similar facilities within the district and for the acquisition of land and construction of those works and facilities.

(b) In preparing the plan, the district shall attempt to locate stormwater retention and detention ponds and outfall drainage ditches and other similar facilities so that they will provide the minimum amount of runoff in the district while at the same time providing the maximum amount of protection from area and downstream flooding.

(c) On completion of the plan by the employees, the board shall approve the plan as the tentative plan and shall submit the plan to the commission and to the commissioners court of each county

in which all or part of the district is located.

(d) The commission and each commissioners court shall review the plan.

(e) Within 60 days after the date on which a plan is submitted to a commissioners court, the commissioners court shall prepare its suggestions for change in the plan and shall submit those suggestions in writing to the commission.

(f) Not later than 10 days after the first day on which the commission has received written suggestions from all commissioners courts to which the plan was submitted, the commission shall give notice and hold a hearing to consider the plan together with its suggestions and the suggestions for change from the commissioners courts. Notice shall be given and the hearing held as provided by Chapter 2001, Government Code.

(g) At the conclusion of the hearing, the commission shall issue an order stating the changes made in the plan, if any, and approving the plan.

(h) An order of the commission under this section may not be appealed.

(i) Amendments and modifications to a plan shall be made in the manner provided by this section for preparation and approval of the original plan.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 1995, 74th Leg., ch. 76, Sec. 5.95(49), eff. Sept. 1, 1995.

Sec. 66.216. TRANSFER OF LAND AND FACILITIES. (a) On completion of all facilities proposed to be built by the district, the district shall transfer title to the land and facilities other than detention ponds to the county or counties in which the land and facilities are located.

(b) Each county that receives transfer of title to land and facilities under Subsection (a) of this section shall maintain those facilities and shall use the land and facilities for the purpose of stormwater retention and detention ponds and for park and recreational areas as authorized for the district.

(c) If another regional flood control project is

constructed by the state or a political subdivision of the state, the county may transfer title of the land and facilities transferred to it under this section to the state or to the political subdivision to be used for the purposes for which it was originally acquired or constructed by the district.

(d) A conveyance of land and facilities to the county under this section is made free and clear of all indebtedness of the district.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.217. EFFECT OF TRANSFER. (a) On conveyance of land and facilities to a county under this subchapter the district is no longer responsible for the land and facilities or their maintenance or upkeep, and the control over the land and facilities is solely in the county to which conveyed.

(b) Conveyance of land and facilities to a county under this subchapter does not affect the duties and responsibilities of the district to pay in full the principal of and the premium, if any, and interest on any outstanding bonds or other indebtedness of the district and to observe and perform the covenants, obligations, or conditions provided by the orders or resolutions authorizing the bonds or other indebtedness.

(c) Notwithstanding the conveyance of land and facilities to a county under this subchapter, the district is solely responsible and liable for payment in full of the principal of and the premium and interest on any bonds or other indebtedness of the district.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.218. TRANSFER IN PORTIONS. This subchapter may not be construed as preventing the conveyance of a portion of the land and facilities proposed to be constructed by a district if the district's facilities are constructed in stages.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

SUBCHAPTER E. GENERAL FISCAL PROVISIONS

Sec. 66.303. ANNUAL BUDGET. (a) The board shall prepare and approve an annual budget.

(b) The budget shall contain a complete financial statement, including a statement of:

- (1) the outstanding obligations of the district;
- (2) the amount of cash on hand to the credit of each fund of the district;
- (3) the amount of money received by the district from all sources during the previous year;
- (4) the amount of money available to the district from all sources during the ensuing year;
- (5) the amount of the balances expected at the end of the year in which the budget is being prepared;
- (6) the estimated amount of revenues and balances available to cover the proposed budget; and
- (7) the estimated tax rate that will be required.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.304. AMENDING BUDGET. After the annual budget is adopted, it may be amended on the board's approval.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.310. ISSUANCE OF BONDS. (a) The board may issue and sell bonds in the name of the district to acquire land and construct facilities as provided by this chapter.

(b) Bonds issued by a district and projects and improvements of the district that are provided through the issuance of bonds are governed by Chapter 49.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 1995, 74th Leg., ch. 715, Sec. 38, eff. Sept. 1, 1995.

Sec. 66.311. MANNER OF REPAYMENT OF BONDS. The board may provide for the payment of the principal of and interest on the bonds from the levy and collection of property taxes on all taxable property within the district.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.313. FORM OF BONDS. (a) The district may issue its bonds in various series or issues.

(b) Bonds may mature serially or otherwise not more than 50 years from their date and shall bear interest at any rate or rates permitted by the constitution and laws of this state.

(c) The district's bonds and interest coupons, if any, are investment securities under the terms of Chapter 8 of the Business & Commerce Code and may be issued registrable as to principal or as to both principal and interest or may be issued in book entry form and may be made redeemable before maturity at the option of the district or may contain a mandatory redemption provision.

(d) The district's bonds may be issued in the form, denominations, and manner and under the terms, conditions, and details and shall be signed and executed as provided by the board in the resolution or order authorizing their issuance.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.314. PROVISIONS OF BONDS. (a) In the orders or resolutions authorizing the issuance of bonds, including refunding bonds, the board may provide for the flow of funds, the establishment and maintenance of the interest and sinking fund, the reserve fund, and other funds and may make additional covenants with respect to the bonds and the pledged fees.

(b) The orders or resolutions of the board authorizing the issuance of bonds may also prohibit the further issuance of bonds or other obligations payable from the pledged fees or may reserve the right to issue additional bonds to be secured by a pledge of and payable from the fees on a parity with or subordinate to the pledge in support of the bonds being issued.

(c) The orders or resolutions of the board issuing bonds may contain other provisions and covenants as the board may determine.

(d) The board may adopt and have executed any other proceedings or instruments necessary and convenient in connection with the issuance of bonds.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.315. APPROVAL BY ATTORNEY GENERAL; REGISTRATION BY COMPTROLLER. (a) Bonds issued by the district and the records relating to their issuance must be submitted to the attorney general for examination.

(b) If the attorney general finds that the bonds have been authorized in accordance with law, he shall approve them, and they shall be registered by the comptroller of public accounts.

(c) After the approval and registration of bonds, the bonds are incontestable in any court or other forum for any reason and are valid and binding obligations in accordance with their terms for all purposes.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.316. REFUNDING BONDS. Refunding bonds may be issued for the purposes and in the manner provided by general law including Chapter 1207, Government Code.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.422, eff. Sept. 1, 2001.

Sec. 66.317. BONDS AS INVESTMENTS. District bonds are legal and authorized investments for:

- (1) banks;
- (2) savings banks;
- (3) trust companies;
- (4) savings and loan associations;
- (5) insurance companies;
- (6) fiduciaries;
- (7) trustees;
- (8) guardians; and
- (9) sinking funds of cities, counties, school

districts, and other political subdivisions of the state and other public funds of the state and its agencies, including the permanent school fund.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.318. BONDS AS SECURITY FOR DEPOSITS. District

bonds are eligible to secure deposits of public funds of the state and cities, counties, school districts, and other political subdivisions of the state. The bonds are lawful and sufficient security for deposits to the extent of their value when accompanied by all unmatured coupons.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.319. MANDAMUS BY BONDHOLDERS. In addition to all other rights and remedies provided by law, if the district defaults in the payment of principal, interest, or redemption price on its bonds when due or if it fails to make payments into any fund or funds created in the orders or resolutions authorizing the issuance of the bonds or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the orders or resolutions authorizing the issuance of its bonds, the owners of any of the bonds are entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the district and its officials to observe and perform the covenants, obligations, or conditions prescribed in the orders or resolutions authorizing the issuance of the district's bonds.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.320. APPLICATION OF OTHER LAWS. Bonds of the district are considered public securities under Chapter 1201, Government Code.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.422, eff. Sept. 1, 2001.

Sec. 66.321. TAX STATUS OF BONDS. Since a district created under this chapter is a public entity performing an essential public function, bonds issued by the district, any transaction relating to the bonds, and profits made in the sale of the bonds are free from taxation by the state or by any city, county, special district, or other political subdivision of the state.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.322. LEVY OF TAXES. The board may annually levy taxes in the district to pay the principal of and interest on bonds issued by the district and the expense of assessing and collecting taxes.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.324. BOARD AUTHORITY. (a) The board may levy taxes for the entire year in which the district is created.

(b) The board shall levy taxes on all property within the boundaries of the district subject to district taxation.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.325. TAX RATE. In setting the tax rate, the board shall take into consideration the income of the district from sources other than taxation. On determination of the amount of tax required to be levied, the board shall make the levy and certify it to the tax assessor-collector.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.326. TAX APPRAISAL, ASSESSMENT, AND COLLECTION.

(a) The Tax Code governs the appraisal, assessment, and collection of district taxes.

(b) The board may provide for the appointment of a tax assessor-collector for the district or may contract for the assessment and collection of taxes as provided by the Tax Code.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

SUBCHAPTER F. DISSOLUTION

Sec. 66.401. PETITION FOR DISSOLUTION. After a district has completed all construction of facilities provided in the plan and conveyed those facilities to the designated counties and after all bonds and other indebtedness of the district are paid in full, the district shall submit to the commission a petition for dissolution accompanied by such evidence as the commission requires in its rules or by order to show that the plan prepared and adopted in accordance with Section [66.202](#) of this chapter has been carried

out and all bonds and other indebtedness have been paid in full.
Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.402. ORDER TO DISSOLVE DISTRICT. (a) After considering the petition and the accompanying evidence, if the commission finds that the work is completed according to the plan and the facilities have been conveyed and that all bonds and other indebtedness have been retired, the commission shall order the district dissolved.

(b) If the commission finds that the work has not been completed according to the plan, that all facilities have not been conveyed, or that all bonds and other indebtedness have not been retired, the commission shall issue an order that will ensure that the work is completed by the district, all conveyances are made, and all debt will be retired, and on compliance with this order shall issue an order dissolving the district.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 24.007, eff. September 1, 2009.

Sec. 66.403. DISTRIBUTION OF ASSETS. (a) If at the time a district is dissolved, the district has any surplus funds in any of its accounts, the board shall transfer those funds to the county that assumes jurisdiction over the facilities conveyed by the district, and the county receiving the funds shall use those funds to maintain the facilities conveyed.

(b) If more than one county assumes jurisdiction over district facilities, the board shall transfer the funds to each county based on the proportion of the proceeds of all indebtedness incurred by the district to acquire the land and construct the facilities conveyed to that county.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.

Sec. 66.404. EFFECT OF COMMISSION ORDER. On the issuance of the order of dissolution by the commission, the dissolved district ceases to exist as a governmental entity, and the board shall

continue in existence only for the purpose of transferring district funds and disposing of district assets.

Added by Acts 1985, 69th Leg., ch. 734, Sec. 1, eff. Sept. 1, 1985.