

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) The district may not vote on the issue of dissolution before the earlier of:

(1) August 31, 2019; or

(2) if the district is a party to a lawsuit pending on May 1, 2017, the date:

(A) a settlement is reached by all parties in the

1 lawsuit; or

2 (B) a final judgment is entered in the lawsuit.

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

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

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

10 Sec. 7219.052. HEARING AND ORDER. (a) At the hearing,  
11 held at the time and place stated in the notice under Section  
12 7219.051, the board shall:

13 (1) hear all interested persons;

14 (2) consider whether the best interests of the persons  
15 and property in the district will be served by dissolving the  
16 district; and

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

18 (b) If two-thirds of the members of the board vote to  
19 dissolve the district, the board shall enter a finding in its  
20 records that the district will be dissolved after completion of the  
21 process to transfer to the city the district's certificate of  
22 convenience and necessity and other assets and liabilities under  
23 Section 7219.053. After the district's certificate of convenience  
24 and necessity and other assets and liabilities are transferred to  
25 the city under Section 7219.053, the board shall enter an order in  
26 its records dissolving the district.

27 (c) If two-thirds of the members of the board do not vote to

1 dissolve the district, the board shall enter an order in its records  
2 providing that the district is not to be dissolved.

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

7 (1) control of the operation and management of the  
8 affairs of the district, to the extent that the operation and  
9 management was not previously assumed by the city by contractual  
10 agreement;

11 (2) all rights, duties, and obligations of the  
12 district, including existing contracts, duties, assets, property,  
13 easements, financial obligations, and liabilities of the district,  
14 to the extent that those rights, duties, and obligations were not  
15 previously assumed by the city by contractual agreement;

16 (3) all files, records, and accounts of the district,  
17 including those that pertain to the control, finances, management,  
18 and operation of the district; and

19 (4) all permits, approvals, and licenses of the  
20 district.

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

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

26 Sec. 7219.054. REVIEW OF BOARD'S ORDER. The board's order  
27 dissolving the district is final and may not be appealed in any

1 manner to any judicial, administrative, or other tribunal if the  
2 board's order is entered after the completion of the process to  
3 transfer the district's certificate of convenience and necessity,  
4 including any necessary approval of a state agency.

5         SECTION 2. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2017.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 248 passed the Senate on April 3, 2017, by the following vote: Yeas 30, Nays 1; and that the Senate concurred in House amendments on May 27, 2017, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 248 passed the House, with amendments, on May 24, 2017, by the following vote: Yeas 147, Nays 0, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor