

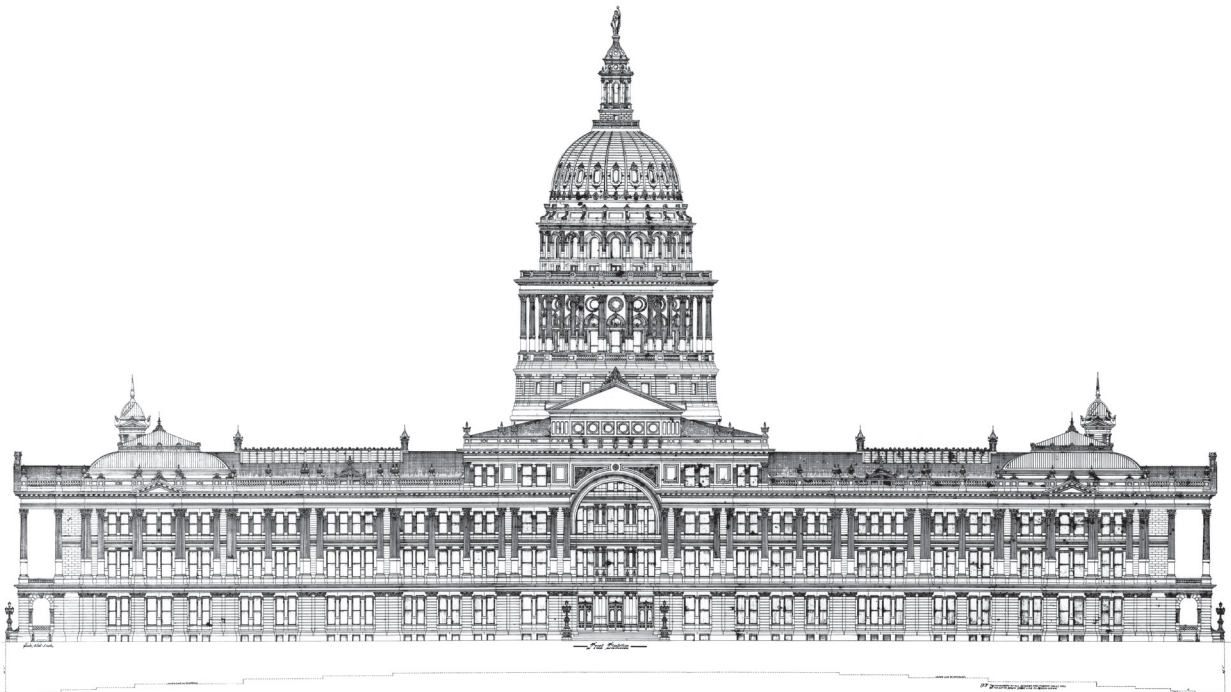


INTERIM REPORT

TO THE

82ND TEXAS LEGISLATURE

House Select Committee on
SPECIAL PURPOSE DISTRICTS
January 2011



**HOUSE SELECT COMMITTEE ON SPECIAL PURPOSE DISTRICTS
TEXAS HOUSE OF REPRESENTATIVES
INTERIM REPORT 2010**

**A REPORT TO THE
HOUSE OF REPRESENTATIVES
82ND TEXAS LEGISLATURE**

**HARVEY HILDERBRAN
CHAIRMAN**

**COMMITTEE CLERK
ISAAC ALBARADO**

**COMMITTEE ASSISTANTS
DUSTIN COX
RAUL ESPINOZA**



Select Committee On
Special Purpose Districts

January 7, 2011

Harvey Hilderbran
Chairman

P.O. Box 2910
Austin, Texas 78768-2910

The Honorable Joe Straus
Speaker, Texas House of Representatives
Members of the Texas House of Representatives
Texas State Capitol, Rm. 2W.13
Austin, Texas 78701


Dear Mr. Speaker and Fellow Members:

The Select Committee on Special Purpose Districts of the Eighty-first Legislature hereby submits its interim report including recommendations and drafted legislation for consideration by the Eighty-second Legislature.

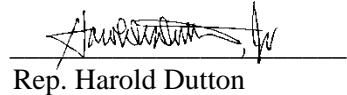
Respectfully submitted,


Harvey Hilderbran

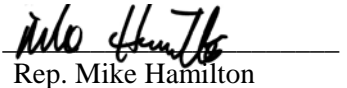

Rep. Jose Menendez, Vice Chair


Rep. Carol Alvarado

Rep. Valinda Bolton

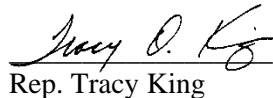

Rep. Harold Dutton


Rep. Charlie Geren

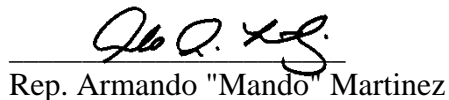

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Rep. Jodie Laubenberg


Rep. Armando "Mando" Martinez


Rep. Allan Ritter

Rep. Patrick Rose

Rep. Larry Taylor

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INTRODUCTION

On February 12th, 2010, House Speaker Joe Straus created the House Select Committee on Special Purpose Districts. The Speaker appointed the following fifteen members to the committee:

Representative Harvey Hilderbran, Chair
Representative Jose Menendez, Vice Chair
Representative Carol Alvarado
Representative Valinda Bolton
Representative Harold Dutton
Representative Charlie Geren
Representative Mike Hamilton
Representative Bryan Hughes
Representative Delwin Jones
Representative Tracy King
Representative Jodie Laubenberg
Representative Armando "Mando" Martinez
Representative Allan Ritter
Representative Patrick Rose
Representative Larry Taylor

The Committee was asked to review and make recommendations for improving public accountability and transparency in the governance and operation of special purpose districts, with particular focus on water-related districts. In addition, the committee will study the effect multiple and overlapping special purpose districts have on taxpayers.

Special purpose districts are independent governmental units that exist at the local level separately from cities and counties. Examples of special purpose districts include hospital districts, crime control districts, emergency services districts, health service districts and water and waste water districts.

During the interim, the Committee was assigned the following charge by the Speaker:

- Study and make recommendations for improving public accountability and transparency in the governance and operation of special purpose districts, with particular focus on water-related districts.

The Committee has completed its hearings and has issued the following report. The Committee wishes to express appreciation to all who contributed their time and effort for the betterment of the state of Texas.

Study and make recommendations for improving public accountability and transparency in the governance and operation of special purpose districts, with particular focus on water-related districts.

PUBLIC TESTIMONY

The House Select Committee on Special Purpose Districts held four committee hearings in Austin, Texas, from May through October 2010.

On March 26th, 2010, the committee heard testimony on hospital and emergency service districts. The following persons testified:

Jim Allison, County Judges and Commissioners Association of Texas
John Guest, Teaching Hospitals of Texas
John Hawkins, Texas Hospital Association
George Hernandez Jr., University Health System, San Antonio
David Pearson, Texas Organization of Rural & Community Hospitals
John Carlton, Texas State Association of Fire & Emergency Districts
Brian Gordon, Santo Volunteer Fire Department
James Linardos, Fire Chief, Travis County Emergency Service District #6
Ron Moellenberg, Fire Chief, Travis County Emergency Service District #2
Howard Katz, Harris-Fort Bend Emergency Services District #100

On June 30th, 2010, the committee heard testimony on health and safety districts and economic and development districts. The following persons testified:

Al Aranda, Greenspoint District
Bob Bearden, Texas Comptroller of Public Accounts
Jann Brown, Texas Library Association
Robin Corrigan, Texas Comptroller of Public Accounts
Jack Drake, Greenspoint District
Frank Garza, Cibolo Canyons Special Improvement District
Rodney Gonzales, City of Austin
Mary Gold, Texas Comptroller of Public Accounts
Marvin Farek, Jr., City of Rocksdale
Larry Jones, City of Rocksdale
Kelvin Knauf, City of Rocksdale
Michael Knox, City of Austin
Frank, McCrady, East Montgomery County Improvement District
Gregory Miller, City of Austin
Jim Murphy, West Chase Management District
Diane Schenke, Greater East End Management District
Sean Pate, City of Balcones Heights, Texas
Bill Waybourn, City of Dalworthington Gardens
Hedy Wolpa, Greater East End Management District
Bill Vansycle, City of Ovilla

On August 19th, 2010, the committee heard testimony on irrigation, water improvement, water control and improvement, and groundwater conservation districts. The following persons testified:

Luana Buckner, Edwards Aquifer Authority
Ken Carver, Kinney County Groundwater Conservation District
Jim Conkwright, High Plains Underground Water Conservation District No. 1
Kark Dreher, Edwards Aquifer Authority
John Dupnik, Barton Springs/Edwards Aquifer Conservation District
Gregory Ellis, Texas Alliance of Groundwater Districts
Richard Frenzel, Bexar County Water Control and Improvement District No. 10
Deborah Gernes, Travis County Water Control and Improvement District No. 17
Yantis Green, Tom Green County Water Control and Improvement District No. 1
Wayne Halbert, Texas Irrigation Council and Harlingen Irrigation District
Jesus Reyes, El Pason Water Improvement District No. 1
Caroline Runge, Menard Country Underground Water District and Hickory Underground Water Conservation District
Dwight Shupe, Shupe, Ventura, Lindelow & Olson, PLLC
Mike Steirnberg, State Auditor's Office
Francelia Vega, El Paso Tornillo Water Improvement District
Dan Wattles, State Auditor's Office
Gene Williams, Headwaters Groundwater Conservation District

On October 7th, 2010, the committee heard testimony on river authorities, navigation districts, municipal utility districts. The following persons testified:

Joe Allen, Allen, Boone, Humphries, Robison LLP
Bill Blich, Self
Steve Bresnen, North Harris County Regional Water Authority
Eduardo Campirano, Brownsville Navigation District
David Corbin, Costello, Inc.
James Edmonds, Port of Houston Authority
Phil Ford, Brazos River Authority
Mary Ann Hefner, Kingsland Municipal Utility District
Mary Jarmon, Myrtle Cruz, Inc.
Thomas Mason, San Antonio River Authority
James Murphy, Guadalupe-Blanco River Authority
Ted Nelson, Newland Real Estate Group
Bill Fry, Severn Trent Services
Chuck Garibay, Association of Water Board Directors
Neil Twomey, Self

OVERVIEW OF DISTRICTS STUDIED

Hospital Districts

Section 9, Article IX of the Texas Constitution allows the legislature to provide, create, establish, maintain, and manage the operation of hospital districts. Most importantly, the constitution allows hospital districts to provide medical and hospital care to those within the hospital district. Under the Health and Safety Code, Chapter 286 (Hospital Districts Created by Voter Approval), a county judge must receive a petition with minimum of 100 signatures from registered voters residing in the district's proposed region. After submission to the county judge, a hearing will be set to consider the creation of the proposed hospital district, assuming the petition is in proper form under Section 286.022 of the Health and Safety Code. Those who live within the territory of the proposed hospital district must then approve the its creation by a simple majority vote. The voters also have the power of dissolving the hospital district with a petition and with a majority vote. After approval, board members will then dispose the funds collected from the district.

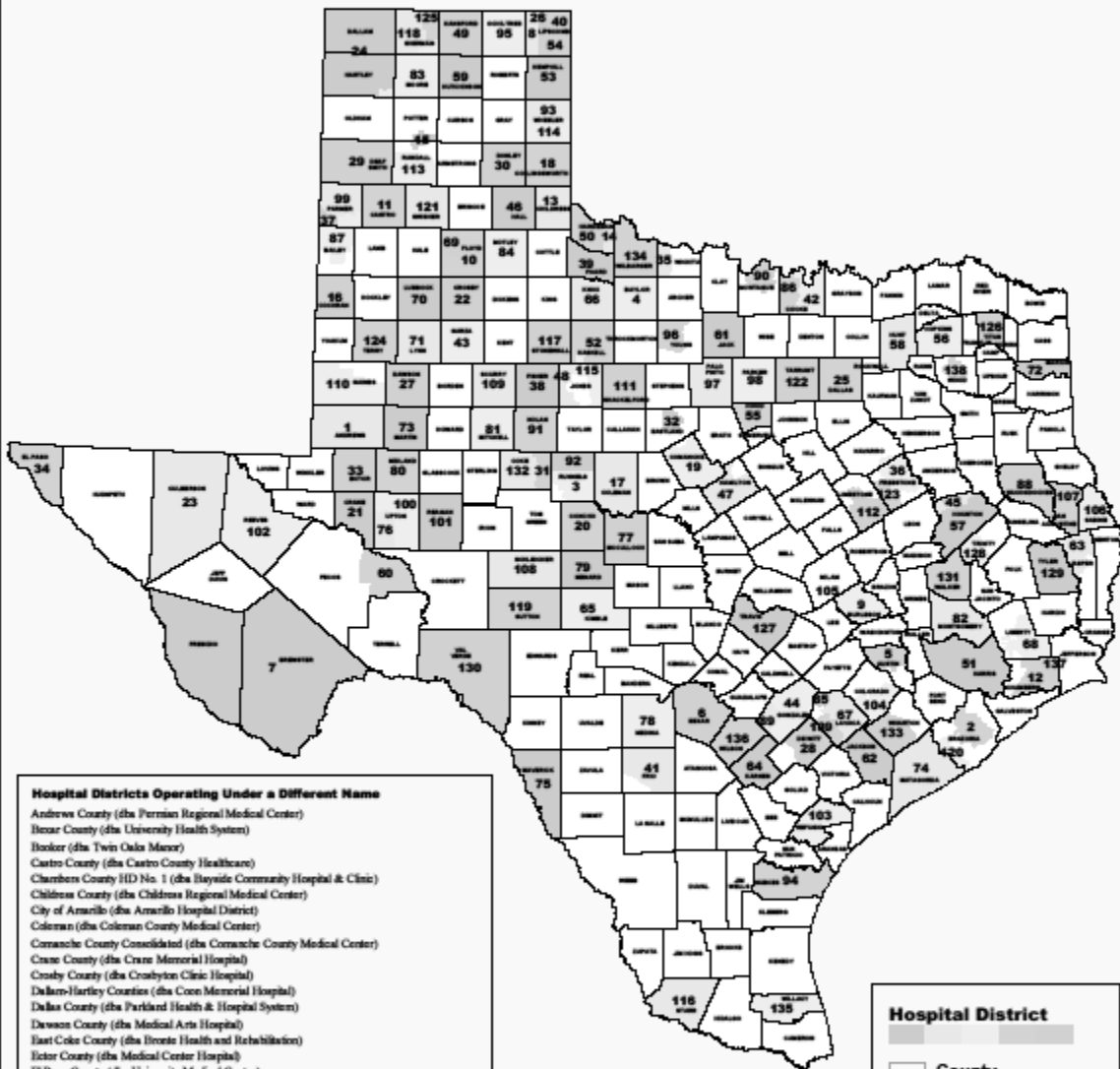
These districts have the power to issue general obligation and revenue bonds, and to impose property taxes annually at a rate not to exceed 75 cents per \$100 valuation of all taxable property in the district. Hospital districts with a population of 75,000 or less may also choose to levy a sales and use tax, if authorized at the creation election. The Health and Safety Code authorizes hospital districts to exercise the power of eminent domain to acquire property if necessary. If a district wants to operate without issuing bonds, the district's board of directors may arrange for contributions from landowners or other sources to provide needed funds.¹

Although hospital districts serve the purpose of providing hospital and medical care to those in the district, there is a difference between a hospital district created by statute and one created by the constitution. A statutory hospital district is approved and voted upon at the county level by the majority of voters. If approved, the county must give the proposed hospital district land, equipment, buildings, and any other necessary items. Statutory hospital districts also vary depending on the population number. A district with at least 190,000 in population is responsible for providing the necessary medical and hospital care to those residing within the district. A district with a population less than 75,000 designates in-district residents as a priority over residents who do not live within the district, but must provide non-district residents services at a fair rate. As stated above, statutory hospital districts are given the power of eminent domain if necessary.

Constitutional hospital districts can be created by the Legislature to serve a county-wide hospital district if an area has a population over 190,000. Unlike statutory districts, a constitutional district may issue bonds without voter approval. However, like statutory districts, a majority of voters must approve any proposed tax levy. Whether it is a constitutional or statutory hospital districts, both take responsibility of constructing, maintaining, and providing necessary medical and hospital care.

Texas Hospital Districts

August 2010



- Hospital Districts Operating Under a Different Name**
- Andrews County (dba Permian Regional Medical Center)
 - Brewer County (dba University Health System)
 - Brewster (dba Twin Oaks Manor)
 - Castro County (dba Castro County Healthcare)
 - Chambers County IHD No. 1 (dba Bayside Community Hospital & Clinic)
 - Childress County (dba Childress Regional Medical Center)
 - City of Amarillo (dba Amarillo Hospital District)
 - Coleman (dba Coleman County Medical Center)
 - Comanche County Consolidated (dba Comanche County Medical Center)
 - Crane County (dba Crane Memorial Hospital)
 - Crosby County (dba Crosbyton Clinic Hospital)
 - Dallem-Hartley Counties (dba Coon Memorial Hospital)
 - Dallas County (dba Parkland Health & Hospital System)
 - Dawson County (dba Medical Arts Hospital)
 - East Coke County (dba Irons Health and Rehabilitation)
 - Ector County (dba Medical Center Hospital)
 - El Paso County (dba University Medical Center)
 - Lavaca (dba Lavaca Medical Center)
 - Midland County (dba Midland Memorial Hospital)
 - Mitchell County (dba Mitchell County Hospital)
 - Moran County (dba Memorial Hospital)
 - San Augustine City-County (dba Memorial Medical System of East Texas)
 - Scotty County (dba Cragg Memorial Hospital)
 - Stratford (dba Coldwater Manor)
 - Tarrant County (dba JPS Health Network)
 - Terry Memorial (dba Brownfield Regional Medical Center)
 - Travis County Healthcare District (dba Central Health)
 - West Wharton County (dba El Campo Memorial Hospital)
 - Wilcox County Memorial (dba Connally Memorial Medical Center)

Hospital District

County



Source: Office of the State Comptroller
Dept. of State Health Services

10R3211 11/18/10

Texas Hospital Districts

<u>No.</u>	<u>Hospital District</u>	<u>No.</u>	<u>Hospital District</u>	<u>No.</u>	<u>Hospital District</u>
1	Andrews County*	47	Hamilton County	93	North Wheeler County
2	Angleton-Danbury	48	Hamlin	94	Nueces County
3	Ballinger Memorial	49	Hansford County	95	Ochiltree
4	Baylor County	50	Hardeman County	96	Olney-Hamilton
5	Bellville	51	Harris County	97	Palo Pinto County
6	Bexar County*	52	Haskell County	98	Parker County
7	Big Bend Regional	53	Hemphill County	99	Parmer County
8	Booker*	54	Higgins-Lipscomb	100	Rankin County
9	Burleson County	55	Hood County	101	Reagan
10	Caprock	56	Hopkins County	102	Reeves County
11	Castro County*	57	Houston County	103	Refugio County Memorial
12	Chambers County HD No. 1*	58	Hunt Memorial	104	Rice
13	Childress County*	59	Hutchinson County	105	Rockdale
14	Chillicothe	60	Iran General	106	Sabine County
15	City of Amarillo*	61	Jack County	107	San Augustine City-County*
16	Cochran Memorial	62	Jackson County	108	Schleicher County
17	Coleman*	63	Jasper	109	Scurry County*
18	Collingsworth County	64	Kansas County	110	Seminole
19	Comanche County Consolidated*	65	Kimble County	111	Shackelford County
20	Concho County	66	Knox County	112	South Limestone County
21	Craws County*	67	Lavaca*	113	South Randall County
22	Crosby County*	68	Liberty County HD No. 1	114	South Wheeler County
23	Culberson County	69	Lockney General	115	Stamford
24	Dallam-Hartley Counties*	70	Lubbock County	116	Star County
25	Dallas County*	71	Lynn County	117	Stonewall County
26	Darrouzett	72	Marion County	118	Stratford*
27	Dawson County*	73	Martin County	119	Sutton County
28	De Witt Medical District	74	Matagorda County	120	Sweeney
29	Deaf Smith County	75	Maverick County	121	Swisher Memorial
30	Donley County	76	McCamey County	122	Tarrant County*
31	East Coke County*	77	McCulloch County	123	Tuague
32	Eastland Memorial	78	Medina County	124	Terry Memorial*
33	Ector County*	79	Menard County	125	Texoma Memorial
34	El Paso County*	80	Midland County*	126	Titus County Memorial
35	Electra	81	Mitchell County*	127	Travis County*
36	Fairfield	82	Montgomery County	128	Trinity Memorial
37	Farwell	83	Moore County*	129	Tyler County
38	Fisher County	84	Motley County	130	Val Verde County
39	Foard County	85	Moulton Community Medical Clinic District	131	Walker County
40	Follett	86	Munster	132	West Coke County
41	Frio County	87	Muleshoe Area	133	West Wharton County*
42	Gainesville	88	Nacogdoches County	134	Wilbarger County
43	Gaza County Health Care District	89	Nixon	135	Willacy County
44	Gonzales Healthcare Systems	90	Nocena	136	Wilson County Memorial*
45	Grapeland	91	Nolan County	137	Winnie-Stovall
46	Hall County	92	North Runnels	138	Wood County Central
				139	Yoakum

*Indicates a hospital district that is operating under a different name.

Emergency Service Districts

Emergency Service Districts include ambulance services, control services, emergency medical services, and rural fire prevention districts. Under Section 48-e, Article III, of the Texas Constitution, the construction of Emergency Service Districts is allowed if a petition signed by at least 100 registered voters is submitted to the county judge. If completed, a public hearing will then be held to ensure that an emergency service district will assist and promote the necessary services needed. Assuming the petition is recognized and approved, an election is held to verify the creation and to alert residents that participating counties will likely levy a tax on the ad valorem property, though such a tax will not surpass 10 cents per \$100 valuation. Similar to other districts, the dissolution of an emergency service district begins with a petition, followed by a public hearing, and finalized with an election.

Emergency service districts are to follow the guidelines and restrictions set forth in Chapter 344 of the Local Government Code. The commissioners' court will appoint board members, subject to serve two year terms, to act as the governing entity if the proposed district lies in one county. If the area of the district overlaps two counties, board members will then be elected by registered voters. At one time, a rural fire prevention district served the same purpose as an emergency service district. A constitutional amendment was approved in 2003 converting rural fire prevention districts into emergency services districts and repealing the constitutional authority for the creation of rural fire prevention districts as well as the statutory basis for rural fire districts, as found in Chapter 794 (Rural Fire Prevention Districts) of the Health and Safety Code.²

As stated previously, an emergency service district can provide a variety of important services to their residents. In general, an ESD's purpose is to protect the lives of residents, protect properties within the defined region, and conserve resources. A proposal of an ESD can be for emergency services, control, emergency communication (9-1-1 services), rural fire prevention, ambulance services, medical services, or the power to create a fire marshal office. The creation of a fire marshal office is only applicable if the county or counties in which the ESD is set does not already have one. The fire marshal assumes responsibilities of examining the cause of fires and the inspecting all properties for fire hazards within the defined region.

To date, there are currently 300 known emergency service districts in the state of Texas. They are required to submit an annual report to the Texas Department of Rural Affairs and a county report(s) to the commissioners court, if the court requests one. No two ESDs in Texas are exactly alike. These districts vary on the services they provide depending on the population, a community's expectations, and what equipment is needed to accommodate the approved district.

Crime Control and Prevention Districts

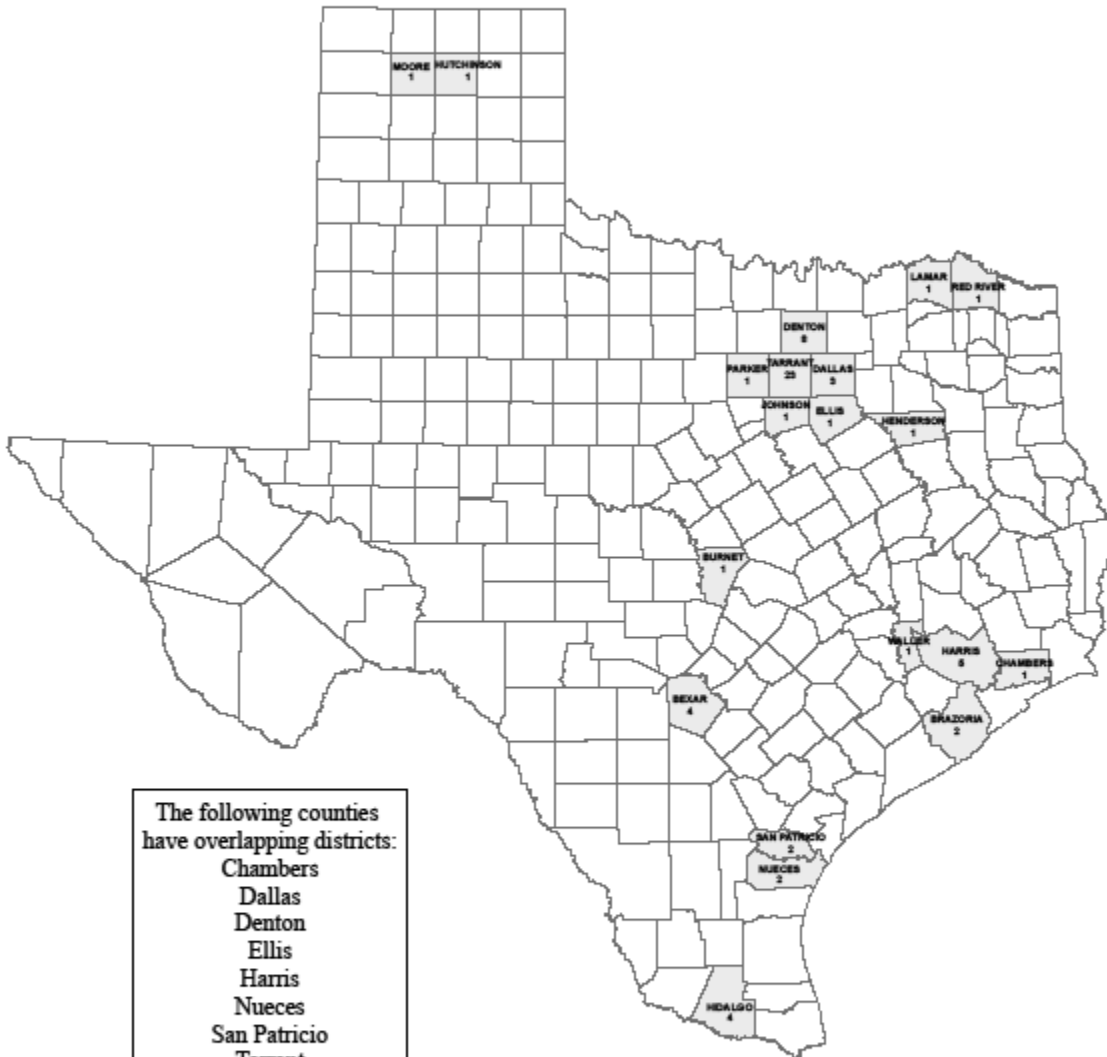
A crime control and prevention district is one of several districts under the health and safety districts. Crime control districts were first proposed in the Texas Legislature's 71st Regular Session in Senate Bill 1694. The Texas House of Representatives and the Texas Senate unanimously passed this bill in 1989. The purpose of enacting the creation of crime control districts is to reduce the crime rates in medium-sized counties with several municipalities, accelerate the criminal justice system, and assist criminals with treatment plans, rehabilitation programs, or other existing programs so that they can become productive citizens within their community. In 1997, the Texas Legislature officially enacted the Crime Control and Prevention District Act, authorizing the creation of these districts. Like several special purpose districts, the creation of and tax for a crime control and prevention district must be approved by a majority of registered voters in the proposed district, and an election must be called for this specific authorization.

The Texas Constitution, under the Local Government Code in Chapter 363.055, states the sales tax limitation and rates for the proposed and elected district. Within the same chapter, it states how a county will disburse the revenue within the proposed county and any other municipalities that are involved. Similar to several approved districts, a board of directors is appointed by the elected representatives of the county and to serve a staggered two-year term. Unlike many elected districts, a crime control and prevention district can be automatically disabled if the board of directors does not hold a continuation or dissolution referendum after five years. The board is authorized to hold a referendum on the question of whether to continue or dissolve the district upon its own motion, by petition of 10 or more registered voters, or by a resolution of the governing body of the county or municipality requesting such action.³

A crime control and prevention district can offer many services to the proposed district. It assists the criminal justice system and directs criminals to the correct rehabilitation program needed to become a productive member of society. A few noteworthy programs and services include: 'police and law enforcement-related programs, such as crime stoppers or telephone lines, a radio dispatch center, [...] community-related crime prevention strategies, such as block watch programs, senior citizen safety programs, and school-police programs; specific treatment and prevention programs, including drug and alcohol awareness and family violence centers.⁴

According to the Texas Comptroller's office, Texas has over 100 crime control and/or prevention districts. The districts all have a similar goal of providing a safe, suitable environment to the residents.

Crime Control Districts



The following counties have overlapping districts:
Chambers
Dallas
Denton
Ellis
Harris
Nueces
San Patricio
Tarrant

Districts displayed on the map collect a sales tax.

Source: Office of the Comptroller



Library Districts

In the 75th Texas legislative session, the signing of Senate bill 1674 allowed the creation of library districts, a sales tax to provide funds, and most importantly only allow the funds allocated to be used to support the library. The bill's main focus is to assist children in rural areas that may be unjustified. Any county is entitled to create a library district if the creation of and local sales tax is approved by a majority of registered voters. Similar to other special purpose districts, a petition must be submitted to the commissioner's court, but only needs five percent of registered voter signature's within the proposed area that voted in the most recent gubernatorial election. Assuming the petition meets all of the requirements listed in Chapter 326 of the Local Government code, the court will then hold an election for approval of the proposed district and sales tax.

If approved by voters, the court must then appoint the five residents who receive the highest number of votes as a trustee for the newly approved district. Under Chapter 326, the Texas Constitution grants library districts to have the authority and power to meet the purpose of the district whether it may be purchasing additional land, access additional funds, or purchase/repair equipment. Although the district can purchase property, an election must be held with majority vote to approve the growth and any changes to the sales tax. If accepted, the sales tax rate will go into effect immediately.

Recently, Senate bill 1205 of the 79th Texas legislature allowed a different creation of library districts. Often referred to as the Multi-Jurisdictional Library Districts Act, the newly created special purpose district allows counties, by resolutions, to take the role of a government entity and create library districts. Although a library may be created under this act, it must first be accredited and meet the standards held by the Texas State Library and Archives Commission. Differentiating from library districts, multi-jurisdictional library districts have a board of seven members chosen by the lead government entity, in which four of those seven must be appointed.

Chapter 336 of the Local Government code permits full authority in order to meet the purposes of the district. Both library district types have the power to purchase and sell property, equipment, transportation vehicles, and enter contracts with any person at their leisure. These districts can impose a sales and use tax, but can additionally attach an ad valorem tax. Furthermore, a district can issue bonds for any amount the board members feel is appropriate to maintain and improve facilities.

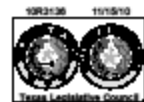
Both library and multi-jurisdictional library districts offer resources to residents in rural areas where it may not be suitable to access a public library. Senate Bills 1674 (75th Regular Session) and 1205 (79th Regular Session) allowed the creation of districts by voters and counties to create library necessary districts. As of 2007, voters across the state had approved the creation, maintenance, and operation of 15 taxing library districts.⁵

Library Districts



Districts displayed on the map collect a sales tax.

Source: Office of the Comptroller



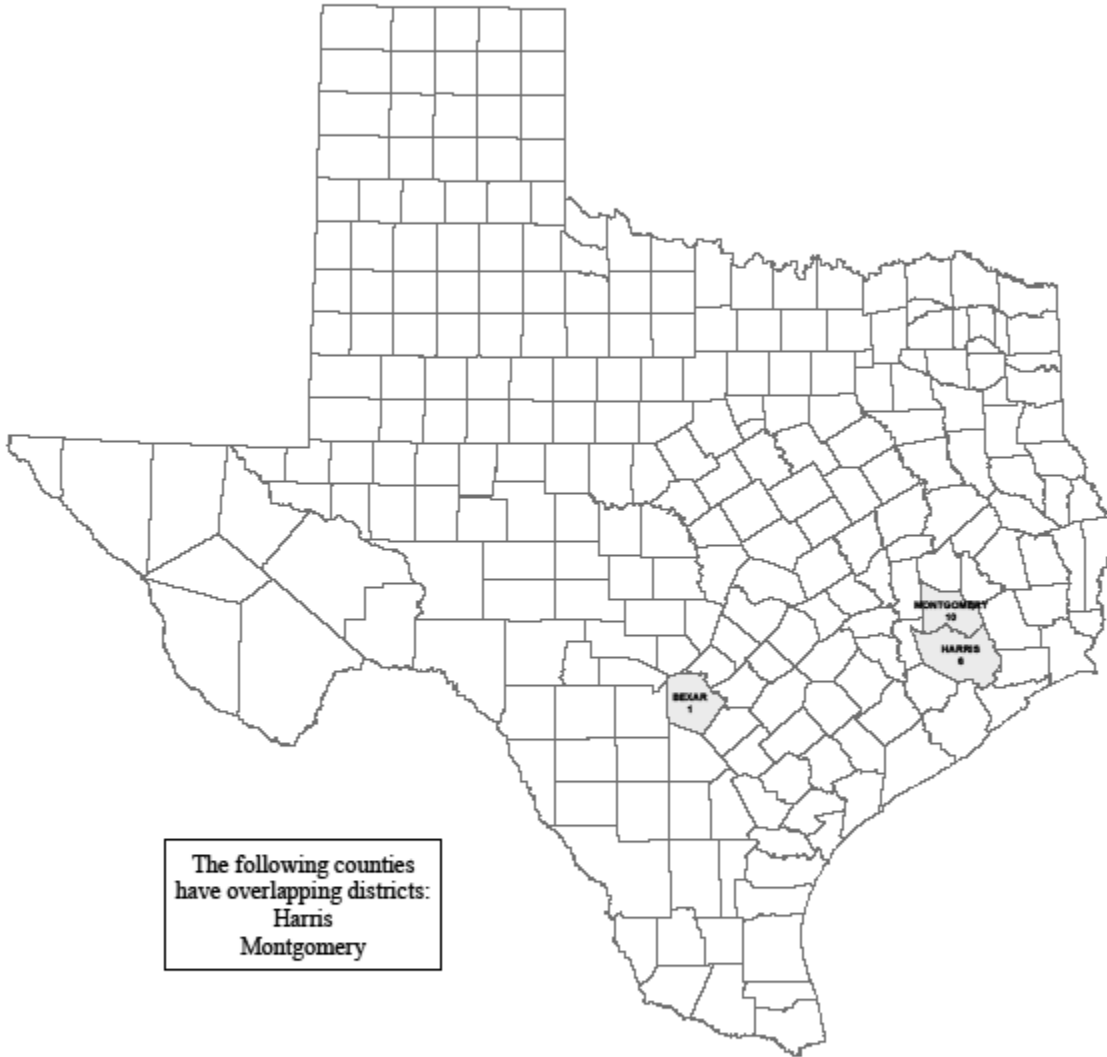
Public Improvement Districts

Public Improvement Districts were enacted in 1977 from Senate Bill 846 of the 65th Legislative Session and authorized by Chapter 372 of the Local Government Code. PIDs allow cities and counties to fund development projects and services at the request of property owners. Some examples of improvement, acquisition, or construction projects that this type of district engages in include: off-street parking facilities; libraries; art; mass transit improvement; parks, recreation, and cultural improvements; water, wastewater, or drainage facilities; and landscaping.⁶ A petition must be approved by the governing body of the municipality or county and meet the requirements outlined in Section 372.055. The petition must state the intention of the proposed district, estimated costs to the municipality or county, the boundaries of the proposed area, and the names of people who signed the petition.

After receiving the petition, the governing body then appoints an advisory board that is often made up of property owners from the projected district. Depending on whether the proposed district is a municipality or county, the governing body can either be the city council or the commissioners court. It is the board's responsibility to construct a productive plan to present in front of the governing body. The plan must include a five-year outline that presents an annual debt and estimated costs of projects. The municipality or county may issue general obligation or revenue bonds to fund improvements.⁷ Chapter 372 allows the levying of a tax to support the district fund in order to pay for the costs of the projects. The governing body may issue notes to pay for any additional charges that may occur at any point during the improvement stages. Similar to assembling a PID, a public hearing is held dissolve the district.

A Public Improvement District offers a variety of services and projects to the projected area. A few such services include: additional crime task force, street maintenance programs, improving an under-development area, and addressing water concerns. Although a Public Improvement District may seem similar to a Municipal Management District, it differs in that a MMD focuses on improving a commercialized area. The statute allows for the district to establish a variety of improvement projects that benefit residents within the district, attract tourism, and facilitate economic growth.

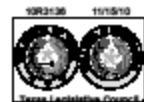
Improvement Districts



The following counties
have overlapping districts:
Harris
Montgomery

Districts displayed on the map collect a sales tax.

Source: Office of the Comptroller



Municipal Management Districts

Municipal Management Districts (MMD) are governed under Chapter 375 of the Local Government Code. The creation of each district is necessary to promote, develop, encourage, and maintain employment, commerce, economic development, and the public welfare in the commercial areas of municipalities and metropolitan areas of this state.⁸ As stated, the purpose of an MMD is to enhance and improve commercial areas whether it is street cleaning, maintaining a clean landscape, adding additional security for public safety, or building sidewalks for pedestrians. Before a district can be created, the area for the proposed district must be an area committed to commercial development or an area with high business activity that is inside a municipality with a minimum population of 25,000. The Texas Legislature is able to create a district only if a population of 1,500,000 is located within a municipality. If the requirements are met under Chapter 375, a petition may be submitted. The petition can originate in two ways. First, 'the owners of a majority of the assessed value of the real property in the proposed district, according to the most recent certified county property tax rolls'⁹ can submit a petition, or 50 residents who own property within the proposed district can affix their signatures to petition. The petition process differs from other special purpose districts because the petition is submitted to the Texas Commission on Environmental Quality (TCEQ) rather than a commissioners court.

TCEQ is required to set the date, location, and time of a hearing to consider the submitted petition. They must also advertise the hearing in local newspapers weeks before the scheduled date. A petitioner must then mail a notice to all property owners within the proposed district who did not provide a petition signature. Such notices must be sent at least one month prior to the scheduled hearing date. Assuming TCEQ determines that an MMD can be beneficial and needed, the petition will be approved and a board of directors appointed. MMDs have the power to levy an ad valorem property tax for funding water, wastewater, drainage, road, or mass transit improvements and to levy impact fees pursuant to the procedures provided by Chapter 395.¹⁰ If a district was to issue a bond, it must be submitted to the Attorney General for approval; however, bonds that provide water, sewage or draining facilities need TCEQ approval. A district can be terminated by a petition of owners of 75 percent value in district, a city council vote, or by the action of board members. Before doing so, any debt that may have occurred must be paid.

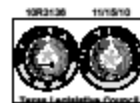
A Municipal Management District can offer several programs to a proposed area. The purpose of creating an MMD is to improve, build, and maintain an environment for commercial areas. Programs vary from public safety, landscape building and improvements, graffiti abatement, and sidewalk maintenance. Such improvements can produce a growth of revenue to commercial properties, reduce crime rates, attract tourism, and decrease public safety response time.

Management Districts



Districts displayed on the map collect a sales tax.

Source: Office of the Comptroller



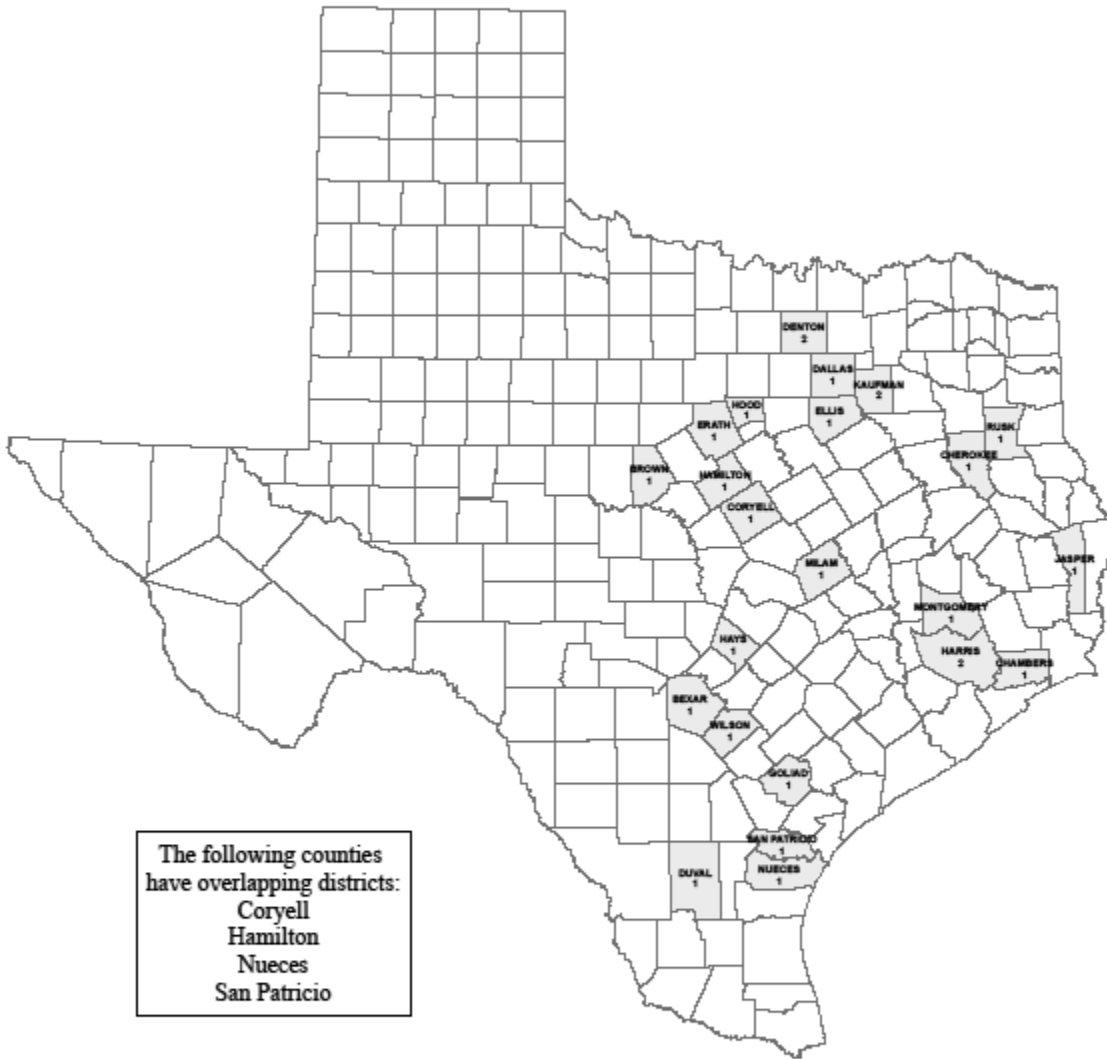
Municipal Development Districts

Municipal Development Districts were created in order to generate development projects. In 1997, House Bill 1029 of the 75th Regular Legislative Session allowed for the creation of Municipal Development Districts. The bill was given authorization from Section 52-A, Article III of the Texas Constitution. Most importantly, Chapter 377 of the Local Government Code governs MDD's authorities and powers. This district can focus on the language in Section 377.001 of the Local Government Code, which defines what a development project is. Projects include parking areas/lots, auditoriums, civic centers, convention centers, and/or any related improvements.

Similar to all Special Purpose Districts, an MDD is created by an election. The election allows residents to evaluate if an MDD is necessary to develop a project, renovate current facilities, or create a plan that can be useful to the district. The proposed district must be approved by a majority of registered voters before any further action can be taken. Once approved, it is the municipality's duty to appoint board members residing within the municipality. Like all other districts, an MDD is given the powers of accepting a grant or a loan, purchasing or selling land, and reaching contract agreements. However, it cannot levy an ad valorem tax. Some other powers include hiring personnel for development projects and purchasing necessary equipment. Under Chapter 377, an MDD is granted the power to impose a sale and use tax, but such a tax can only be a fraction of one percent. The residents within the district are given powers as well. Such powers included the power to call for an election to change the tax rate. The guidelines of creating the district are given in the Local Government Code, but no dissolution process has been recessed

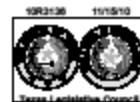
A Municipal Development District can be valuable to any municipality. Section 377 allows municipalities to create the district, appoint board members, impose a tax, and repeal the district if necessary. Districts have the ability to prepare and plan short-term and long-term development goals for the area. Such plans can be parallel to government agencies such as Texas Parks and Wildlife, Texas Department of Transportation, and the Texas Historical Commission. Together, an agency and municipality can reach the goals set forth by the board. In addition, the proposed district can increase job opportunities, depending on the development plans and budget allowed. Lastly, an MDD allows for the creation, renovation, improvement, and expansion of any current or proposed facilities, land, or development projects. Currently, there is no process or statute that contains the process of dissolving a Municipal Development District.

Development Districts



The following counties
have overlapping districts:
Coryell
Hamilton
Nueces
San Patricio

Districts displayed on the map collect a sales tax.



Irrigation Districts

Irrigation Districts are special purpose districts, most of which were established by counties and ratified by the state legislature back in the early 1900's. Through the years legislation has caused the names and governance of these districts to fall under various water codes. According to the Texas Constitution, under Section 59, Article XVI, an irrigation district is subject to the authority, conditions, and restrictions of the Texas Constitution. Chapter 58, Texas Water Code, governs the creation and operation of these types of districts. A petition requesting the creation of a district must be signed by a majority of the persons who hold title to land in the proposed district, or equate to a value of more than 50 percent of the value of all land in the proposed district. Chapter 58, Texas Water Code, also stipulates dissolution of a district. According to Section 58.828 of the Texas Constitution, a district is considered dissolved on the issuance and sale or delivery of the dissolution bonds and the appointment and qualification of the trustee. Furthermore, a district is considered dissolved if a majority of those voting in the election vote in favor of dissolving the district. If the vote passes, the district and all authorities shall be dissolved, although any debts that have been incurred must be paid.

An Irrigation District is supervised by the Texas Water Development Board, and are limited purpose districts established primarily to deliver untreated water for irrigation and to provide for the drainage of lands. Although it may provide drainage, it may not treat or deliver water for domestic use, or operate wastewater facilities. Irrigation Districts may cooperate with the federal government under the federal reclamation law in order to construct, maintain, or assume facilities as the principal or guarantor of indebtedness to the United States on account of district lands. The district has the functions, powers, authority, rights, and duties that permit the accomplishment of the purposes for which the district was created. The district also has the authority to issue bonds and levy taxes. The district is permitted to issue bonds as long as the amount is equal to or less than one-fourth (1/4) of the assessed value of real property within the district. In addition, the district has the power to tax all the property owners in the district to pay for part of the costs of the district and charge the remaining costs against water users.¹¹

Irrigation Districts are an essential part of the communities they serve. These districts are able to deliver water to crops, parks, golf courses, industrial operations, or treatment facilities. These districts have played vital roles in managing farm operations and assisting farmers to determine which practices are most suitable for operations, and to implement cost effective measurements for these practices. The actions of these districts will have far reaching impacts on the future of water conservation in the agricultural community.¹²

Irrigation Districts



Source: Texas Commission on Environmental Quality



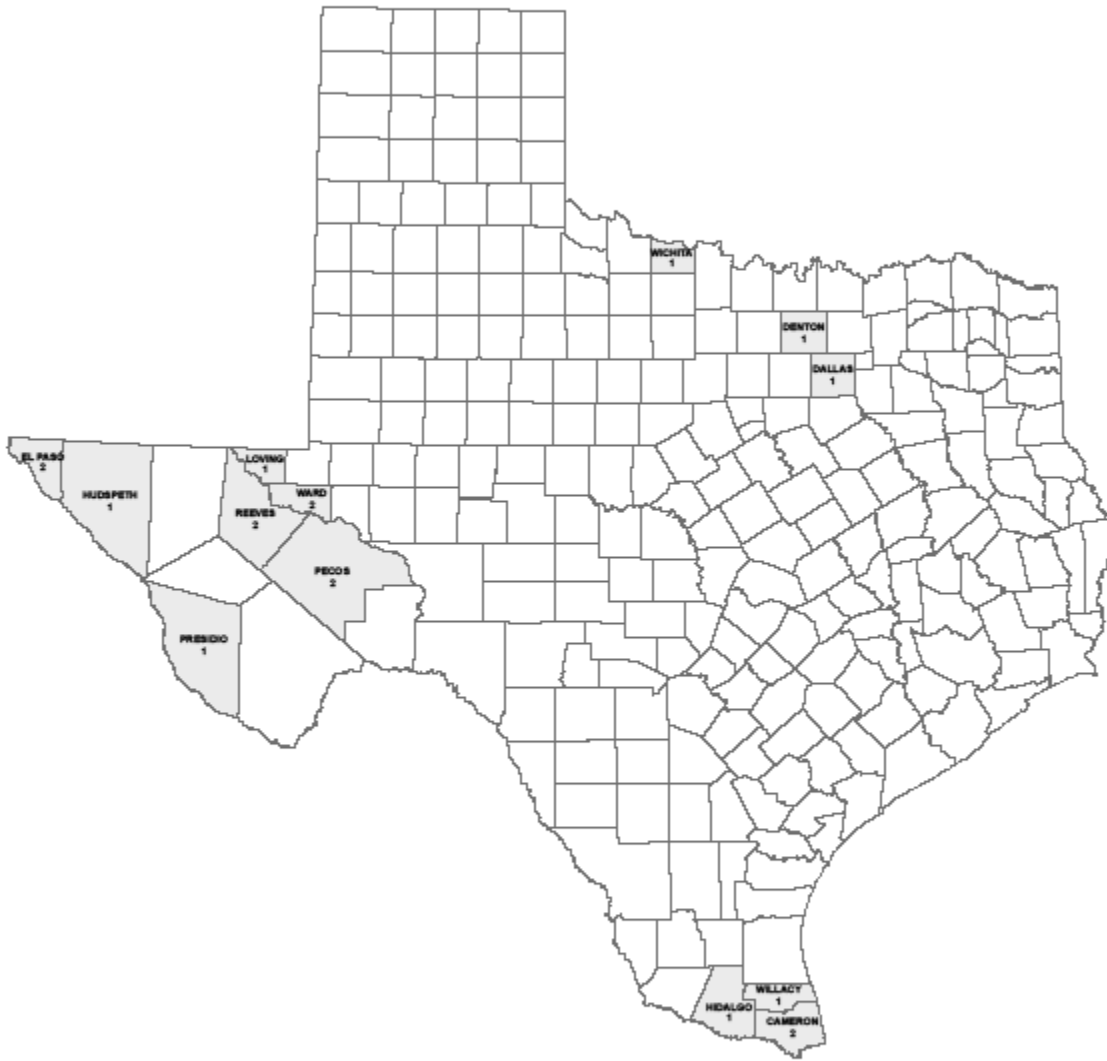
Water Improvement Districts

Water Improvement Districts (WID) were originally authorized in the early 20th century for irrigation purposes. The original irrigations district statutes were amended to become Water Improvement Districts. These districts are a political subdivision of the state of Texas pursuant to Article XVI, Section 59 of the Texas Constitution. Chapter 55, Texas Water Code, governs the creation and operation of these types of districts. Creation of a district occurs when a petition is filed. The petition must be signed by a majority of persons who hold a title to land in the proposed district, representing a total value of more than 50 percent of the value of all the land in the proposed district. Chapter 55, Texas Water Code also stipulates procedures for dissolution of a district. If all debts and obligations of the district have been paid and discharged, a district may dissolve voluntarily by the same manner in which the district was created.

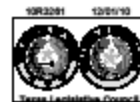
A Water Improvement District may provide for irrigation of the land within its boundaries. A county improvement district is formed for the purpose of constructing or improving a domestic water delivery system. The Constitution states that a Water Improvement District may furnish water for commercial and domestic use and protect the land through levees and drainage facilities. The district may also be formed to cooperate with the United States under federal reclamation laws.¹³ The districts are established upon the approval of the state board of water engineers, only after qualified, taxpaying voters reach a majority decision. Each district is governed by a biennially-elected board of five directors who appoint the manager, tax assessor and collector, and a peace officer to enforce the district's regulations concerning sanitation, waste, and recreational activity.

These districts have limited rulemaking and taxing authority. Districts organized under the 1917 amendment may issue bonds without limit upon approval of a simple majority of the qualified tax-paying voters and may tax on an ad valorem or a benefits basis. Those operating under the 1904 amendment may issue bonds up to one-fourth of the property values upon approval of two-thirds of the tax-paying voters and may use only the ad valorem basis for taxation. A Water Improvement District has the authority to issue contracts and bonds, and must levy a tax when it approves a bond. Districts may have other limited authorities but most fall as a subset of these two functions.¹⁴

Water Improvement Districts



Source: Texas Commission on Environmental Quality



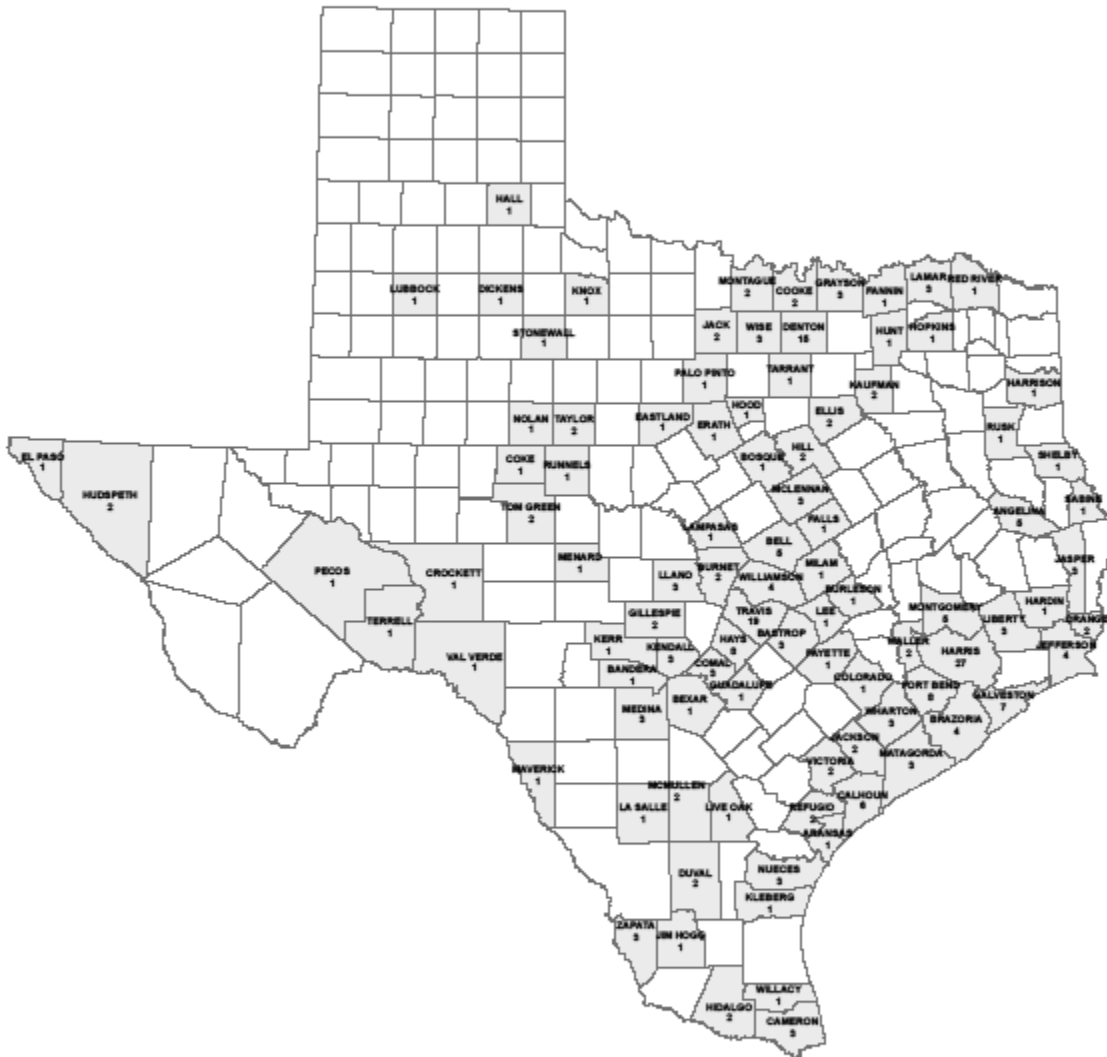
Water Control and Improvement Districts

Water Control and Improvement Districts (WCID) were authorized by the Texas Legislature in 1925 and 1927 to provide broader powers than those allowed in water improvement districts. Chapter 51, Texas Water Code, governs the creation and operation of these districts. According to the Texas Constitution, a petition to create a WCID must be signed by a majority of the landowners in the proposed district. The composition of a district may include one or more counties. If the land to be included is within one county, the commissioners court has the authority to create the district. If the land included in the district is in two or more counties, the Texas Commission on Environmental Quality (TCEQ) has apparent authority to order and create the district. If the district falls within the boundaries of a municipality, a petition requesting creation of a district must be signed by a majority of the persons who hold title to land in the proposed district, or equate to a value of more than 50 percent of the value of all land in the proposed district. Chapter 51, Texas Water Code, also stipulates dissolution of a district. According to Section 51.828 of the Texas Constitution, a district is considered dissolved on the issuance and sale or delivery of the dissolution bonds and the appointment and qualification of the trustee. Furthermore, a district is considered dissolved if a majority of those voting at the election vote in favor of dissolving the district. If the vote passes, the district and all authorities shall be dissolved, although any debts that have been incurred must be paid.

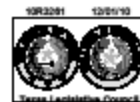
The water control and improvement districts organized under the 1917 conservation amendment may engage in activities related to flood control, irrigation, drainage, reclamation, preservation of water resources, development of forests, development of hydroelectric power, navigation, and sewage disposal. Those operating under the 1904 amendment are more limited, but may provide services for irrigation, drainage, navigation, and prevention of overflows. The districts can consist of a single county or more than one county. Organization and debt limitation are similar to those for water improvement districts.¹⁵

These districts have the authority for the supply and storage of water for domestic, commercial, and industrial use, and for the operation of sanitary wastewater systems. After a district is confirmed, it has fairly broad rulemaking authority and contractual authority. A Water Control and Improvement District has the power to issue bonds or other obligations. Once a district has issued bonds, it must levy a tax to pay the principal and interest on the bonds. TCEQ provides approval and oversight for the issuance of bonds for water, wastewater, and drainage facilities (*ibid*). These districts directly benefit the counties they serve through competitive, affordable, high quality service. They also manage water rights to ensure water is available to meet critical drought needs.

Water Control and Improvement Districts



Source: Texas Commission on Environmental Quality



Groundwater Conservation Districts

There are approximately 96 Groundwater Conservation Districts (GCD) operating in the state of Texas. Chapter 35 and 36, Texas Water Code, governs the creation and operation of these districts. According to the Texas Constitution, a commissioners court has exclusive jurisdiction over the creation of Groundwater Conservation districts. The court, on its own motion or by petition of a majority of landowners in the proposed district, may create a Groundwater Conservation District within the scope of a groundwater management area. Chapter 36, Texas Water Code, also stipulates dissolution of a district. The court may dissolve a district that has no outstanding bonded indebtedness. If the district is composed of territory entirely within one county, it may be dissolved even if the district has outstanding indebtedness; however, the commissioners court shall levy and collect taxes on all taxable property in the district in an amount sufficient to pay the principal and interest.

Groundwater Conservation Districts have been established to provide local management of the groundwater resources in designated areas. According to Section 36.0015 of the Texas Constitution, the purpose of a Groundwater Conservation District is to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater and groundwater reservoirs, and to control subsidence caused by the withdrawal of water from those groundwater reservoirs. It may also build dams, install equipment for recharging the groundwater reservoir, and survey, plan and perform research about groundwater.¹⁶ Groundwater Conservation Districts have limited rulemaking and taxing authority, along with the power to issue contracts and bonds. However, the district must levy a tax when it approves a bond. The authority to enforce districts' compliance with statutory requirements rests with Texas Commission on Environmental Quality.

Groundwater Conservation Districts are beneficial because they identify the wide variety of aquifer conditions, groundwater availability, demographics, socioeconomics, and societal needs that occur across the state. These districts recognize that local interests facilitate how to best manage water resources. Furthermore, they provide planning and advice about a groundwater management area. Groundwater Conservation Districts distinguish that groundwater resources are of vital importance to the continued wellbeing of the citizens, the economy, and environment.

Confirmed Groundwater Conservation Districts

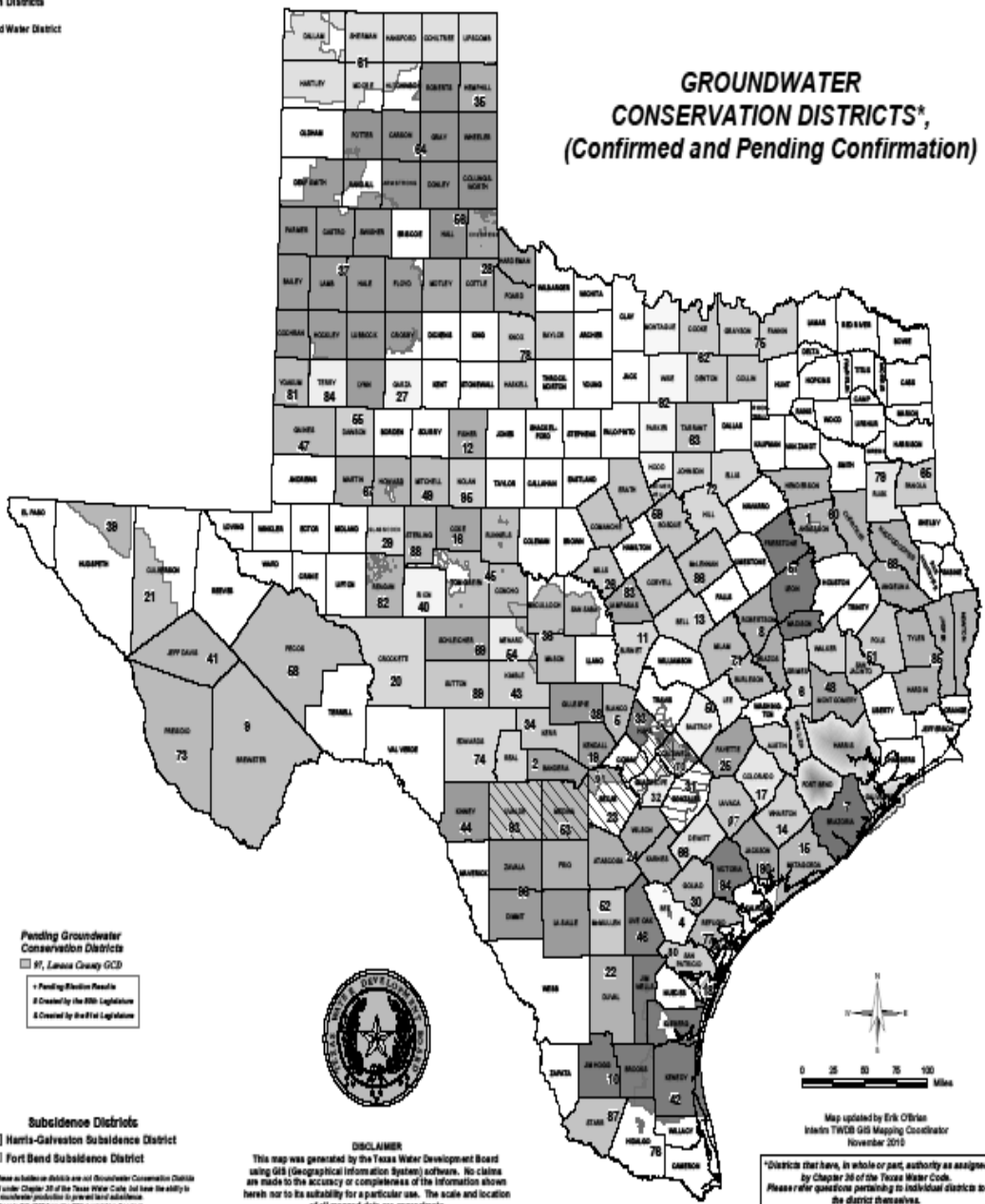
- 1. Anderson County UWCD
- 2. Bandera County River Authority & Ground Water District
- 3. Barton Springs/Edwards Aquifer CD
- 4. Bee GCD
- 5. Blanco-Pedernales GCD
- 6. Blanton GCD
- 7. Brazoria County GCD
- 8. Brazos Valley GCD
- 9. Brewster County GCD
- 10. Brush Country GCD
- 11. Central Texas GCD
- 12. Clear Fork GCD
- 13. Clearwater UWCD
- 14. Coastal Bend GCD
- 15. Coastal Plains GCD
- 16. Coke County UWCD
- 17. Colorado County GCD
- 18. Corpus Christi ARCD
- 19. Cow Creek GCD
- 20. Crockett County GCD
- 21. Culberson County GCD
- 22. Dowl County GCD
- 23. Edwards Aquifer Authority
- 24. Duvall GCD
- 25. Fayette GCD
- 26. Fox Crossing Water District
- 27. Garza County UWCD
- 28. Gateway GCD
- 29. Glasscock GCD
- 30. Goliad County GCD
- 31. Gonzalez County UWCD
- 32. Guadalupe County GCD
- 33. Hays Trinity GCD
- 34. Headwaters GCD
- 35. Hempfil County UWCD
- 36. Hickory UWCD No. 1
- 37. High Plains UWCD No.1
- 38. Hill Country UWCD
- 39. Hudspeth County UWCD No. 1
- 40. Iron County WCD
- 41. Jack Davis County UWCD
- 42. Kenedy County GCD
- 43. Kinney County GCD
- 44. Lipan-Ricardo WCD
- 45. Live Oak UWCD
- 46. Llano Estacado UWCD
- 47. Lone Star GCD
- 48. Lone Wolf GCD
- 49. Lost Pines GCD
- 50. Lower Trinity GCD
- 51. McLallen GCD
- 52. Medina County GCD
- 53. Menard County UWCD
- 54. Mesa UWCD
- 55. Mesquite GCD
- 56. Mid-East Texas GCD
- 57. Middle Pecos GCD
- 58. Middle Trinity GCD
- 59. Neches & Trinity Valleys GCD
- 60. North Plains GCD
- 61. North Texas GCD
- 62. Northern Trinity GCD
- 63. Panhandle GCD
- 64. Panola County GCD
- 65. Pecan Valley GCD
- 66. Permian Basin UWCD
- 67. Pineywoods GCD
- 68. Pecos UWCD and Supply District
- 69. Plum Creek GCD
- 70. Post Oak Savannah GCD
- 71. Prairielands GCD
- 72. Preatito County UWCD
- 73. Real-Edwards C and A District
- 74. Red River GCD
- 75. Red Bank GCD
- 76. Red Bluff GCD
- 77. Retugio GCD
- 78. Rolling Plains GCD
- 79. Ross County GCD
- 80. San Patricio County GCD
- 81. Sandy Land UWCD
- 82. Santa Rita UWCD
- 83. Saratoga UWCD
- 84. South Plains UWCD
- 85. Southeast Texas GCD
- 86. Southern Trinity GCD
- 87. Starr County GCD
- 88. Sterling County UWCD
- 89. Sutton County UWCD
- 90. Tarrant GCD
- 91. Trinity Glen Rose GCD
- 92. Upper Trinity GCD
- 93. Uvalde County UWCD
- 94. Victoria County GCD
- 95. Waco GCD
- 96. Winters GCD
- 97. Winters GCD

- Pending Groundwater Conservation Districts**
- 87. Lanexa County GCD
- * Pending Election Possible
 † Created by the 80th Legislature
 ‡ Created by the 81st Legislature

- Subsidence Districts**
- Harris-Galveston Subsidence District
 - Fort Bend Subsidence District

NOTE: There is neither an ability to add Groundwater Conservation Districts as defined under Chapter 38 of the Texas Water Code, nor the ability to assign groundwater jurisdiction to prevent land subsidence. (Pursuant to Texas SB 127 from the 78th Legislature Session)

GROUNDWATER CONSERVATION DISTRICTS*, (Confirmed and Pending Confirmation)



DISCLAIMER
 This map was generated by the Texas Water Development Board using GIS (Geographical Information System) software. No claims are made to the accuracy or completeness of the information shown here, nor to its suitability for particular use. The scale and location of all mapped data are approximate.

*Districts that have, in whole or part, authority as assigned by Chapter 38 of the Texas Water Code. Please refer questions pertaining to individual districts to the district themselves.

River Authorities

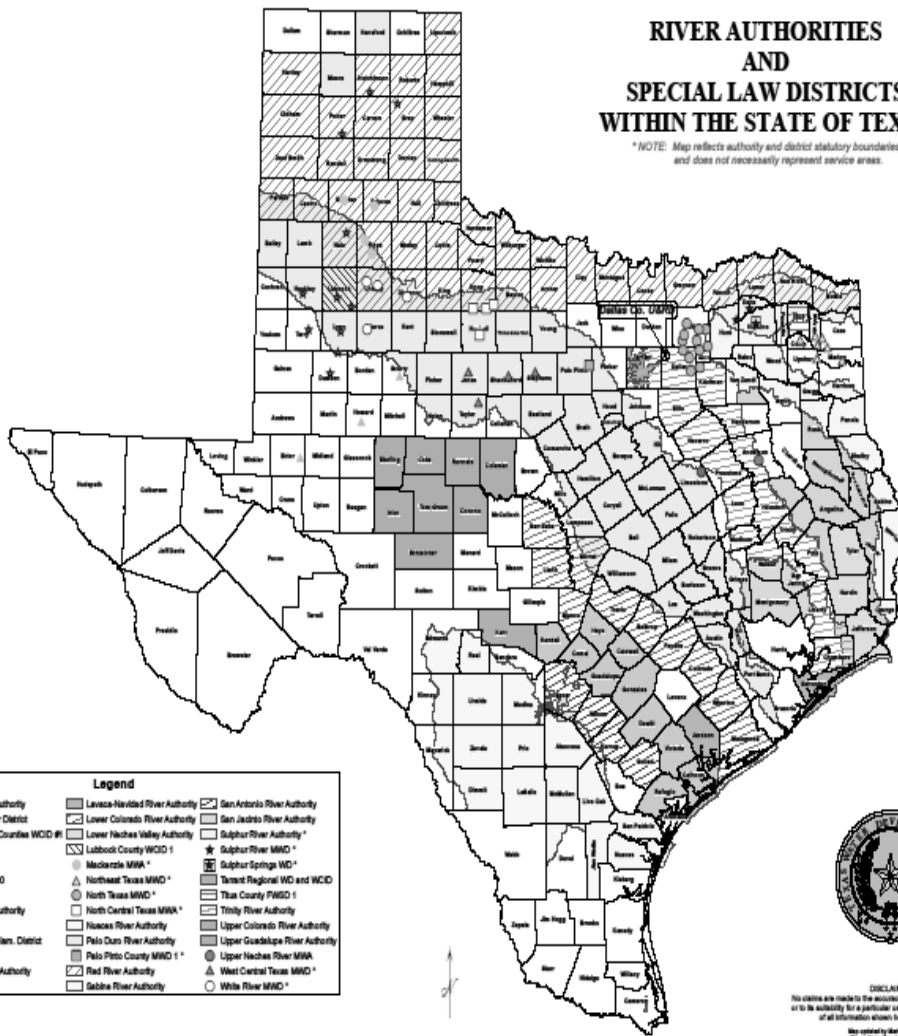
In 1917, the voters of Texas, recognizing the necessity of developing and conserving the state's water resources, passed a constitutional amendment allowing the Texas Legislature to create special purpose political subdivisions of the state to serve regional areas. These districts are known as River Authorities. The Brazos River Authority was created by the Texas Legislature in 1929 as the first state agency in our nation specifically created for the purpose of developing and managing the water resources of an entire river basin.¹⁷

Today, there are approximately 30 River Authorities operating in Texas. A River Authority is generally an extended, multi-county water district, with the main difference being that these authorities are considered quasi-state agencies. Each authority has its own enabling legislation, and is subject to the Texas Sunset Act. These authorities develop and distribute water supplies, provide water and wastewater treatment, monitor water quality, and pursue water conservation through public education programs. There are no general laws or constitutional provisions for river authorities.¹⁸

River Authorities are governed by a board of directors that vary in size from three to 24 members. Some authorities have the board members appointed by the governor with confirmation from the Texas Senate, while others are elected. Although river authorities are an agency of the state of Texas, it does not levy or collect taxes. With the exception of occasional governmental grants, the authority itself is entirely self-supporting. The authorities utilize revenue from the customers they serve in order to maintain and operate reservoirs.¹⁹

RIVER AUTHORITIES AND SPECIAL LAW DISTRICTS WITHIN THE STATE OF TEXAS

*NOTE: Map reflects authority and district statutory boundaries and does not necessarily represent service areas.



Legend		
Angeline-Neches River Authority	Lavaca-Nevadito River Authority	San Antonio River Authority
Brewer Metropolitan Water District	Lower Colorado River Authority	San Jacinto River Authority
Brewer-Medina-Atascosa Counties WCOD #1	Lower Neches Valley Authority	Sulphur River Authority *
Brazos MWD *	Lubbock County WCOD 1	Sulphur MWD *
Brazos River Authority	Madrearte MWA *	Sulphur Springs WD *
Cameron County WD #10	Northeast Texas MWD *	Tarrant Regional WD and WCD
Canadian River MWA *	North Texas MWD *	Texas County FWOD 1
Central Colorado River Authority	North Central Texas MWA *	Tinley River Authority
Colorado River MWD *	Nueces River Authority	Upper Colorado River Authority
Dallas County L&L & Reclam. District	Palo Duro River Authority	Upper Guadalupe River Authority
Franklin County WD	Palo Pinto County MWD 1 *	Upper Neches River MWA
Guadalupe-Blanco River Authority	Red River Authority	West Central Texas MWD *
Gulf Coast WA	Sabine River Authority	White River MWD *

Member Cities *



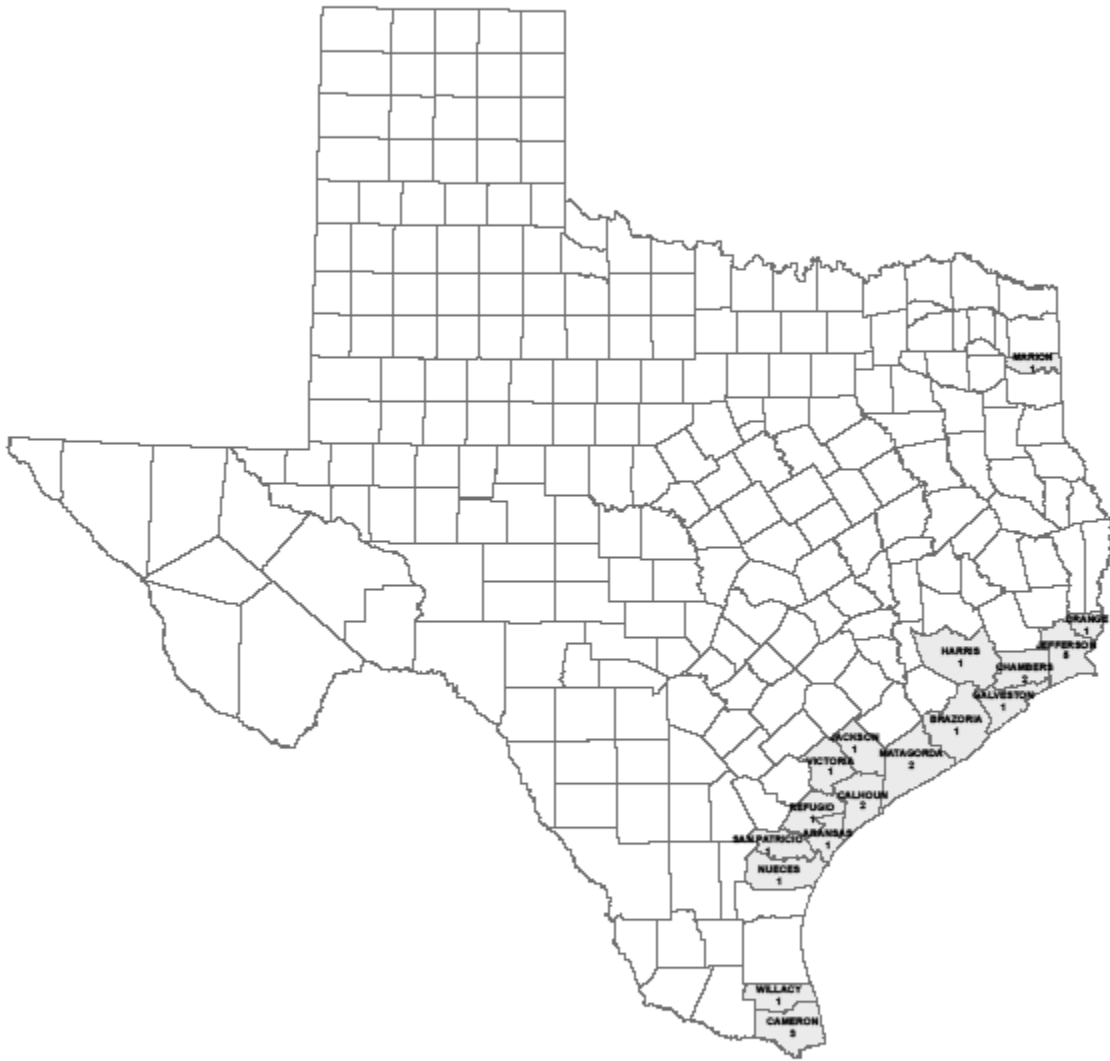
DISCLAIMER
No claims are made to the accuracy or completeness of the data or to its authority for a particular use. The scale and completion of all information shown herein is approximate.
Map updated by Alan Pappas, 2007
Texas Water Development Board
May 7, 2008

Navigation Districts

The first Navigation District was established in 1909, and there are now 24 Navigation Districts statewide. General law Navigation Districts are governed by Chapters 60-63, Texas Water Code. However, there is more than one type of Navigation District, and which type an area has depends upon that particular district's needs. These districts are created in the manner prescribed under Article XVI, Section 59 of the Texas Constitution. Any person may create a petition to the commissioners court in the county of jurisdiction. In order for creation to occur, the petition must be signed by at least 25 percent of the property taxpaying electors who reside in the boundaries of the proposed district. If there are less than 75 property taxpaying electors, then the petition shall be signed by one-third of them. Chapter 62, Texas Water Code, also stipulates the dissolution of a district. According to Section 62.306 of the Texas Constitution, a district is considered dissolved after an entry of the order annexing the district. All powers previously held in the district are now with the annexed district or the commissioners court.

One of the primary functions of these districts is to dredge waterways to facilitate commercial navigation. Other functions of the district include the ability to improve rivers, bays, creeks, streams, and canals inside or adjacent to the district. Navigation Districts have the authority to enter into contracts and leases. Generally, they can issue tax, revenue, and combination bonds, upon taxpayer approval. They also have the power to charge fees for the use of ports and annex territory upon a petition of qualified voters. Using taxes levied, these districts are able to construct, acquire, and maintain facilities, and provide services or projects.²⁰

Navigation Districts



Source: Texas Commission on Environmental Quality



Municipal Utility Districts

Municipal Utility Districts (MUD) are the most numerous and varied of all special purpose districts. A Municipal Utility District may be created under the conditions and restrictions of Article XVI, Section 59, of the Texas Constitution. Texas Water Code, Chapter 54, governs the creation and dissolution of a district. In order to create a district, a petition requesting creation shall be filed with the commission. The petition shall be signed by a majority of landowners that hold title to the land within the proposed district. If there are more than 50 persons holding title to the land in the proposed district, the petition is sufficient if signed by 50 holders of title to the land. Chapter 54, Texas Water Code, also stipulates dissolution of a district. According to Section 54.734-38, a district is considered dissolved on the issuance and sale or delivery of the dissolution bonds and the appointment and qualification of the trustee. Furthermore, a district is considered dissolved if a majority of those voting at the election vote in favor of dissolving the district. If the vote passes, the district and all authorities shall be dissolved, although any debts that have been incurred must be paid.

The main functions of a MUD are the control, storage, preservation and distribution of storm water, floodwater, and the water of its rivers and streams for useful purposes, as well as the protection, preservation, and restoration of the purity and sanitation of the water in Texas. Other services may include drainage, public safety, solid waste collection and disposal, wastewater treatment and recreational activities.²¹ It may also purchase, control and maintain all facilities and equipment necessary for such activities. A district shall have the functions, powers, authority, rights, and duties that will permit accomplishment of the purposes for which it was created. All rights, powers, privileges, and authority are supervised by the Texas Commission on Environmental Quality (TCEQ). They have limited rulemaking and taxing authority. The district may issue bonds for any purpose authorized by Texas Water Code, Chapter 54. At the time bonds payable in whole or in part from taxes are issued, the board shall levy a continuing direct annual ad valorem tax for each year while all or part of the bonds are outstanding on all taxable property within the district sufficient enough to pay the interest on bonds as it becomes due. Municipal Utility Districts also help create high quality infrastructure through local control. They reduce barriers to entry in the development market. These districts may include the ability to reduce housing prices and to offer tax exempt financing and other various tax deductions that prove beneficial to the surrounding communities they serve.

SUMMARY

The committee has completed its review of the issues and believes that more controls on certain activities of special districts, better transparency and governance, and improved communication with residents of the district, the public, and government officials should be imposed.

Accordingly, the committee has listed below recommendations for special purpose districts in Texas.

Recommendations

- 1.) The committee recommends that all financial audits be submitted to the Texas Comptroller of Public Accounts. This would allow for better transparency to the public.
- 2.) The committee also recommends that state agencies with oversight of special purpose districts be required to submit a detailed report to the respective member of the legislative district where the district was created.

While members of the Legislature create special purpose districts, they are rarely kept informed of the status of such special districts once the districts have made it through the agency process. This would create better communication between the state agency and the elected official.

In addition, the committee recommends returning to the process prior to permitting agencies to create special purpose districts by rule and give sole power back to the Legislature.

- 3.) The committee proposes that emergency service districts provide for agreed consolidation of such districts under a single board resulting in a more efficient and economical delivery of services to residents of a consolidated district.
- 4.) The committee recommends modernizing the constitutional amendment that created River Authorities as well as the respective enabling acts. New sources of power, such as wind, solar, and nuclear, have been developed since that time. Consideration should be given as to whether River Authorities should be involved in those activities, and if so, updating the constitution and enabling acts to allow it.

SPECIAL PURPOSE DISTRICTS CHART

Special Purpose Districts Chart
General Provisions and Authority

District Type	Year Established	Number of Districts	Creating Entity	Statute ²	Constitutional Authority ¹	Petition	Maps	Taxing Authority	Issue Bonds	Issue Contracts
HD	1962	139	CC	Ch. 281-286	IX, 5, 7-9B	✓	✓	✓	✓	✓
ESD	1987	289	CC	Ch. 775-776	III, 48-E	✓	✓	✓	✓	✓
CCD	1964	64	CC/Muni	Ch. 363, LGC			✓	✓		✓
LD	1997	15	CC	Ch. 326		✓	✓	✓		✓
PID	1977	17	CC/Muni	Ch. 372	III, 52; III, 51-A; & XVI, 59	✓	✓	✓	✓	✓
MMD	1991	6	TCEQ	Ch. 375, LGC	XVI, 59 & III, 52	✓	✓	✓	✓	✓
MDD	1997	26	Muni	Ch. 377	III, 52-A		✓	✓	✓	✓
ID	1913	23	CC/TCEQ	Ch 58 TWC	XVI, 59 & III, 52	✓	✓	✓	✓	✓
WID	1915	18	CC/TCEQ	Ch 55 TWC	XVI, 59 & III, 52	✓	✓	✓	✓	✓
WCID	1919	204	CC/TCEQ	Ch 51 TWC	XVI, 59 & III, 52	✓	✓	✓	✓	✓
GCD	1951	98	CC	Ch 35 & 36 TWC	XVI, 59	✓	✓	✓	✓	✓
RA	1924	30	Legislature	SDLLC	XVI, 59	✓	✓		✓	✓
ND	1909	24	CC	Ch 60, 61, & 62 TWC	XVI, 59 & III, 52	✓	✓	✓	✓	✓
MUD	1926	854	TCEQ	Ch 54 TWC	XVI, 59	✓	✓	✓	✓	✓

HD=Hospital District ESD=Emergency Service District CCD=Crime Control District LD=Library Districts PID=Public Improvement District MMD=Municipal Management District	ID=Irrigation District WID= Water Improvement District WCID= Water Control and Improvement District GCD=Groundwater Control District RA=River Authority ND=Navigation District
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CC= Commissioners Court
 TCEQ=Texas Commission on Environmental Quality
 Muni= Local Municipality
 TWC= Texas Water Code
 LGC=Local Government Code
 SDLLC= Special District Local Law Code
 1= Constitutional Authority refers to provisions in the Texas Constitution. Some Districts may not be created under Constitutional Authority
 2=All statutes in this table refer to chapters in LGC, SDLLC, or TWC

ENDNOTES

¹ Langham, Laure, Corey Roy, and Austin Valentine. Texas Senate. *Invisible Government: Special Purpose Districts in Texas*. Austin: Texas Senate Research Center, 2008. Web. 25 October 2010. <<http://www.senate.state.tx.us/SRC/pdf/SL-spPurposeDistricts.pdf>>.

² Langham, Laure, Corey Roy, and Austin Valentine. Texas Senate. *Invisible Government: Special Purpose Districts in Texas*. Austin: Texas Senate Research Center, 2008. Web. 27 October 2010. <<http://www.senate.state.tx.us/SRC/pdf/SL-spPurposeDistricts.pdf>>.

³ Langham, Laure, Corey Roy, and Austin Valentine. Texas Senate. *Invisible Government: Special Purpose Districts in Texas*. Austin: Texas Senate Research Center, 2008. Web. 28 October 2010. <<http://www.senate.state.tx.us/SRC/pdf/SL-spPurposeDistricts.pdf>>.

⁴ *Ibid.*

⁵ Langham, Laure, Corey Roy, and Austin Valentine. Texas Senate. *Invisible Government: Special Purpose Districts in Texas*. Austin: Texas Senate Research Center, 2008. Web. 30 October 2010. <<http://www.senate.state.tx.us/SRC/pdf/SL-spPurposeDistricts.pdf>>.

⁵ *Ibid.*

⁶ Texas House, Senate Committee on Intergovernmental Relations. *Interim Report: 78th Legislature* (H. Rpt. 51). Texas: House Printing, 2002.

⁷ *Ibid.*

⁸ Texas Local Govt. Code. §375.001 (b)

⁹ Texas Local Govt. Code. §375.022 (b) (1)

¹⁰ Langham, Laure, Corey Roy, and Austin Valentine. Texas Senate. *Invisible Government: Special Purpose Districts in Texas*. Austin: Texas Senate Research Center, 2008. Web. 23 October 2010. <<http://www.senate.state.tx.us/SRC/pdf/SL-spPurposeDistricts.pdf>>.

¹¹ Water District Directors' Handbook, Revised January 2010

¹² Halbert, Wayne. Texas Irrigation Council

¹³ Water District Directors' Handbook

¹⁴ Dick Smith, "WATER IMPROVEMENT DISTRICTS", *Handbook of Texas Online*, (<http://www.tshaonline.org/handbook/online/articles/mww02>), accessed October 29, 2010

¹⁵ Dick Smith, "WATER CONTROL AND IMPROVEMENT DISTRICTS", *Handbook of Texas Online*, (<http://www.tshaonline.org/handbook/online/articles/mww01>), accessed October 27, 2010

¹⁶ Water District Directors' Handbook, Revised January 2010.

¹⁷ "BRAZOS RIVER AUTHORITY", *Handbook of Texas Online*, (<http://www.tshaonline.org/handbook/online/articles/mwb01>), accessed November 06, 2010

¹⁸ Senate Committee on Natural Resources, Interim Report to the 77th Legislature: Texas River Authorities

¹⁹ Senate Committee on Natural Resources, Interim Report to the 81st Legislature: Texas River Authorities

²⁰ Water District Directors' Handbook, Revised January 2010

²¹ Water District Directors' Handbook, Revised January 2010