

TRANSPORTATION CODE  
CHAPTER 257. ROAD DISTRICTS  
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 257.001. ROAD DISTRICT OR PRECINCT OPERATING UNDER ROAD BOND LAW DESIGNATED BODY CORPORATE; POWER TO SUE AND BE SUED. (a) A county commissioners precinct or justice precinct operating under Chapter 1471, Government Code, or a road district is a body corporate and may sue or be sued in the same manner as a county.

(b) A commissioners precinct or justice precinct operating under Chapter 1471, Government Code, or a road district may not be held liable for a tort except as provided by Chapter 101, Civil Practice and Remedies Code.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.376, eff. Sept. 1, 2001.

Sec. 257.002. CONTRACTS OF ROAD DISTRICT OR PRECINCT OPERATING UNDER ROAD BOND LAW. (a) A county commissioner is the ex officio road superintendent with power to enter into a contract in an amount that is not more than \$50 on behalf of:

(1) a road district located in the commissioner's precinct;

(2) a justice precinct operating under Chapter 1471, Government Code, and located in the commissioner's precinct; or

(3) the commissioner's precinct if it is operating under Chapter 1471, Government Code.

(b) A contract made under Subsection (a) must be approved by the commissioners court.

(c) A contract in an amount that is more than \$50 made on behalf of a road district or precinct described by Subsection (a) must be awarded by the commissioners court of the county in which the road district or precinct is located.

(d) The commissioners court may enter into a contract with an engineer, financial advisor, attorney, or other consultant as the court determines appropriate to act on behalf of the county or the road district or precinct.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.377, eff. Sept. 1, 2001.

Sec. 257.003. ACQUISITION OF ROADS. (a) Subject to Subsection (b), a road district established pursuant to Section 52, Article III, Texas Constitution, may agree to:

(1) reimburse a private person for money spent to construct a road or improvement that has been or will be dedicated or otherwise transferred to public use; or

(2) purchase a road or improvement constructed by a private person.

(b) A road district may agree to make a reimbursement or purchase under Subsection (a) only if:

(1) the construction was carried out through the award of contracts in substantial conformity with the bid procedures applicable to a county;

(2) the construction was performed in accordance with the road standards and rules of the county in which the road or improvement is located; and

(3) the road or improvement was not opened for public use or accepted by official action of a governmental entity before the district agreed to the reimbursement or purchase.

(c) A construction contract awarded for the construction of a road for which reimbursement is to be paid or that is to be purchased under Subsection (a) must be approved by the commissioners court of the county in which the road is or will be situated. The amount paid for the reimbursement or purchase:

(1) may include all construction costs, including engineering, legal, financing, and other expenses incident to the construction; and

(2) may be paid with proceeds from the sale of the district's bonds or from any other money available to the district.

(d) In addition to the procedure provided by Subsection (a), a road district may acquire, pay for the construction of, or agree to reimburse the costs of construction or acquisition of a road, including engineering, legal, financing, and other expenses incident to the construction or acquisition, at a price not to exceed the replacement cost of the road or road improvements as determined by the commissioners court.

(e) A road district bond election may state as one of its purposes the construction or acquisition of, or reimbursement of expenses for construction or acquisition of, roads for an amount

that may not be more than the cost of construction on the basis of competitive bid contracts plus engineering, legal, financing, and other expenses incident to the construction, improvement, or acquisition.

(f) A road district may enter into an agreement to use the proceeds of a subsequent bond sale for reimbursing all construction costs, engineering and other expenses, and financing costs incident to construction or acquisition of a road to a private person who constructs or acquires a facility that benefits the road district pursuant to the agreement. The agreement may provide the terms and conditions under which the road district will be required to accept the dedication or transfer of the road or road improvements to the district for the benefit of the public and to pay or reimburse the cost of constructing or acquiring the road. A road district may assign all or any portion of its rights or obligations under the agreement to any other political subdivision authorized by law to own, operate, or maintain the road that is the subject of the agreement.

(g) In this section, "construction" includes improvement and landscaping.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.004. ROAD DISTRICT SIGNS. (a) A road district to which this chapter applies shall post signs indicating the existence of the district at two or more principal entrances to the district so that they are readable by traffic entering the district. The signs must be posted not later than the 60th day after the date the district is established and must be maintained as long as the district exists.

(b) Consistent with state and local rules governing signs, the signs must be permanent and contain the name of the district in at least three-inch letters. The signs may contain other information as determined by the commissioners court.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.005. NOTICE TO PURCHASERS OF REAL PROPERTY IN ROAD DISTRICT. (a) Before the final closing of a sale of real property located in a road district, the seller shall furnish to the buyer of the real property a written notice, executed and acknowledged by the seller, that:

(1) contains a statement that the real property is located in the road district and includes the name of the district;

(2) states the total amount of any bonds, notes, or other obligations that have been approved and authorized to be issued by the district but have not been issued; and

(3) states the total amount of any bonds, notes, or other obligations payable from property taxes that have been issued and sold by the district, if any, and the district's current tax rate if this subdivision applies.

(b) The seller shall provide to the road district a copy of the notice.

(c) The notice is sufficient if it substantially complies with this section.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.006. APPLICABILITY OF CHAPTER TO COUNTY OPERATING UNDER SPECIAL ROAD TAX LAW. A county operating under a special road tax law may take any action authorized by this chapter.

Added by Acts 1999, 76th Leg., ch. 227, Sec. 23, eff. Sept. 1, 1999.

#### SUBCHAPTER B. ROAD DISTRICT WITHIN COUNTY

Sec. 257.021. ESTABLISHMENT OF ROAD DISTRICTS. (a) The commissioners court of a county by order may establish one or more road districts in the county as provided by Section 52, Article III, Texas Constitution. The order must define the boundaries of the road district. A road district is a governmental entity and body politic.

(b) A road district created under this section may include:

(1) all or part of a municipality; or

(2) another road district or a precinct or political subdivision of the county for which road bonds have been approved by the voters and issued as provided by Section 52, Article III, Texas Constitution.

(c) Before establishing a road district under this section, the commissioners court shall conduct a public hearing on the matter. Notice of the hearing shall be given in the manner provided for notice of an election by Section 1471.018, Government Code.

(d) The establishment of a defined road district or the issuance of road district bonds in a county with outstanding

countywide road bonds is not prevented by this chapter or Subchapters A-C, Chapter 1471, Government Code.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.378, eff. Sept. 1, 2001.

Sec. 257.022. ABOLITION OF ROAD DISTRICT. (a) The commissioners court by order may abolish a road district after a public hearing on the matter if:

(1) the road district has no outstanding public securities, as that term is defined by Section 1201.002, Government Code; or

(2) all the public securities of the district have been assumed and exchanged for county bonds under Subchapter D, Chapter 1471, Government Code.

(b) The road district ceases to exist when the commissioners court adopts the order abolishing the district.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.379, eff. Sept. 1, 2001.

Sec. 257.023. EXCLUSION OF CERTAIN TERRITORY OF EXISTING DISTRICTS FROM ROAD DISTRICT. (a) A county commissioners court may exclude from a proposed road district any territory that is part of or adjacent to an existing road district that includes all or part of a levee improvement district, drainage district, or other improvement district created under a law authorized by Section 52, Article III, Texas Constitution. The excluded territory shall continue to bear and pay its proportion of existing debt created for the construction of macadamized, graveled, or paved roads or turnpikes or in aid of these purposes, but may not be used to pay debt created for those purposes after the territory is excluded from the new road district.

(b) Except as specifically permitted by Sections 1471.086 and 1471.087, Government Code, a road district may not contain a fractional part of a preexisting road district.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.380, eff. Sept. 1, 2001.

Sec. 257.024. EXCLUDING REAL PROPERTY FROM ROAD DISTRICT. (a) Before the commissioners court orders an election to authorize bonds for a road district, the commissioners court, on its own motion or on receipt of a written petition from a property owner seeking to exclude the property owner's real property from the district, may hold a hearing on the question of excluding specified real property from the district.

(b) If the commissioners court determines that a hearing should be held, the court shall give notice of the time and place of the hearing in the manner provided for notice of a hearing for the creation of a road district.

(c) The court shall exclude real property from the district if:

(1) the retention of the real property in the district's taxing jurisdiction would:

(A) be arbitrary and unnecessary to protect the public welfare;

(B) impair the value of the real property; and

(C) arbitrarily impose a confiscatory burden on the real property;

(2) the retention of the real property in the district and the extension to it of the benefits, service, or protection of the district's roads would create an undue and uneconomical burden on the remainder of the district; or

(3) the real property cannot be benefited by the district's proposed improvements.

(d) If, after considering the engineering information and other evidence presented at the hearing, the commissioners court determines that a ground for exclusion of the real property exists, the court shall enter an order:

(1) excluding the real property from the road district; and

(2) redefining the boundaries of the district.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.025. ADDING REAL PROPERTY TO ROAD DISTRICT BY PROPERTY OWNER PETITION. (a) One or more persons may file a petition with the commissioners court of a county requesting that real property owned by the person or persons be annexed to a road district. The petition must describe the real property by:

(1) metes and bounds; or

(2) lot and block number if there is a recorded plat of

the real property.

(b) Before the real property may be annexed to the road district, each petitioner must agree to:

(1) assume the petitioner's share of:

(A) any outstanding bonds, notes, or other obligations of the district; and

(B) any bonds of the district payable in whole or part from taxes that have been approved by the voters but have not been issued; and

(2) authorize the commissioners court to impose a tax on the petitioner's property in each year in which the bonds, notes, or other obligations payable in whole or part from taxes are outstanding to pay the petitioner's share of the indebtedness.

(c) The commissioners court shall hold a hearing to consider the petition and shall give notice of the hearing in the manner required for a hearing for creation of a road district.

(d) The commissioners court may annex the real property described by the petition to the district if the court determines that:

(1) it is to the advantage of the real property to be annexed to the district; and

(2) the real property already in the district will not be injured by the annexation.

(e) If each petitioner agrees to the items specified by Subsection (b), the commissioners court may issue any unissued bonds that have been approved by the voters of the district even though the boundary of the district has been altered by the annexation since the bonds were approved.

(f) If no qualified voter resides on the real property proposed to be annexed to the district, the commissioners court may order the annexation of the real property without further proceedings.

(g) If a qualified voter resides on the real property to be added and there are any outstanding bonds, notes, or other obligations of the district that are payable from taxes, the commissioners court shall order an election to be held in the district, including the real property to be annexed to the district, on the question of the assumption by the real property to be annexed of the district's outstanding and approved but unissued bonds, notes, or other obligations and of the taxes imposed to pay those obligations. Notice of the election shall be given and the election shall be held as provided by law for a bond election in the district.

(h) The order annexing the real property to the district shall provide that the annexation does not take effect unless a majority of the votes cast at the election held under Subsection (g) favor the assumption of the district's outstanding bonds, notes, and other obligations and the imposition of a tax to pay those obligations.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.026. ADDING TERRITORY TO ROAD DISTRICT BY PETITION OR ON COMMISSIONERS COURT MOTION. (a) The commissioners court of a county on its own motion may hold a hearing on the question of annexing a defined area to a road district and shall hold a hearing on the question on receipt of a petition requesting the annexation signed by:

(1) owners of real property the taxable value of which is a majority of the taxable value of real property in the defined area according to the county tax roll; or

(2) at least 50 property owners in the defined area if there are more than 50 property owners in the defined area.

(b) The commissioners court shall give notice of the hearing in the manner required for notice of a hearing on creation of a road district.

(c) If after the hearing the commissioners court finds that annexation of the defined area to the district is feasible and practical and would benefit the area and the district, the court may annex the area to the district. The order annexing the area to the district is not required to include all of the real property described by a petition requesting the annexation if the court finds that a modification is necessary or desirable.

(d) The annexed area is subject to any bonds, notes, or other obligations issued or taxes imposed before the area was annexed to the district.

(e) The commissioners court shall, in the order annexing the

area to the district, order an election to be held in the district, including the area to be annexed, on the questions whether the annexed area should assume:

(1) the bonds, notes, or other obligations issued or taxes imposed by the district before the area was annexed to the district; and

(2) its part of the bonds of the district payable in whole or part from taxes that have been approved by the voters but have not been issued, and the imposition of the district's ad valorem tax on the taxable property in the annexed area for the payment of the bonds.

(f) At the election held under Subsection (e) the commissioners court, in a separate proposal, may submit the question whether the court should be authorized to issue bonds for the construction, purchase, maintenance, and operation of macadamized, graveled, or paved roads and turnpikes, or in aid of those purposes, in the annexed area.

(g) Notice of an election held under this section shall be given and the election shall be held in the manner provided by law for a bond election in the district.

(h) If the majority of the votes received in the election favor the assumptions proposed under Subsection (e), the district may issue its approved but unissued bonds even though the boundaries of the district have been changed by the annexation since the original election approving the bonds.

(i) The commissioners court shall provide in its order annexing an area to the district that the annexation does not take effect unless the voters approve the assumptions proposed under Subsection (e).

(j) The commissioners court may provide in its order annexing an area to the district that the annexation does not take effect unless the voters approve an issuance of bonds proposed under Subsection (f).

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

#### SUBCHAPTER C. ROAD DISTRICT IN ADJOINING COUNTIES

Sec. 257.101. ROAD DISTRICT AUTHORIZED; NATURE OF DISTRICT. (a) The qualified voters of two or more adjoining counties or portions of adjoining counties in the manner provided by this subchapter may combine those counties or portions of counties to establish a defined road district for the purpose of constructing, maintaining, and operating macadamized, graveled, or paved roads and turnpikes, or in aid of those activities.

(b) A road district established under this subchapter is a defined district for purposes of the Texas Constitution and is a body corporate.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.102. PETITION TO ESTABLISH ROAD DISTRICT. (a) A petition to establish a road district under this subchapter must be signed by at least 50 registered voters or a majority of the registered voters, whichever is less, in each county or in each portion of a county of which less than the entire county is included in the proposed district.

(b) The petition must:

(1) describe in general terms the road or roads proposed to be constructed and any municipalities to be connected by the road or roads;

(2) name each county proposed to be included in the road district and define the portion of each county proposed to be included if less than the entire county is proposed to be included in the district; and

(3) request each commissioners court to order an election to determine whether the county or defined portion of the county is to be included in the proposed district.

(c) A separate petition for the establishment of the road district must be presented to the commissioners court of each county or portion of a county in the proposed district.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.103. CHANGE IN ROADS DESIGNATED IN PETITION. The commissioners court of a county may change a road designated in the petition calling for the establishment of a road district under this subchapter if at the hearing on the petition the court finds that the change:

(1) is necessary and practicable;

(2) would be a public benefit; and

(3) would be beneficial to all taxable property in the

county.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.104. NOTICE OF HEARING ON PETITION. (a) On presentation of a petition under Section 257.102, the commissioners court of each county shall order the time for the petition to be heard on a date not less than 15 or more than 30 days after the date of the order. The hearing shall be held at the regular meeting place of the commissioners court in the county courthouse.

(b) The county clerk shall immediately issue notice of the time and place of the hearing. The notice must:

(1) inform all interested persons of the time and place of the hearing and of their right to appear at the hearing and support or protest the ordering of the election; and

(2) set forth in substance the contents of the petition, including the name of each county proposed to be included in whole or part in the road district.

(c) Before the 10th day before the date of the hearing, the clerk shall post a copy of the notice:

(1) at the courthouse door; and

(2) at a public place in each commissioners precinct contained in whole or part in the proposed road district.

(d) Not later than the fifth day before the date of the hearing, the clerk shall publish the notice in a newspaper of general circulation published in the county. If a newspaper is not published in the county, the posting of the notice as provided by Subsection (c) is sufficient.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.105. HEARING ON PETITION. (a) At the time and place set for the hearing of a petition presented under Section 257.102, or on a subsequent date set at that time, the commissioners court of each county in the proposed road district shall hear the petition and all matters relating to the proposed district.

(b) Any interested person may appear before the court in person or by attorney and support or protest the establishment of the proposed road district.

(c) The court may adjourn the hearing from day to day and from time to time as it considers necessary.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.106. ORDER OF ELECTION TO ESTABLISH DISTRICT. (a) The commissioners court of each county included in whole or part in a proposed road district may issue and record in its minutes an order directing that an election be held within the county or the defined portion of the county if on the hearing of the petition to establish the district the court finds that:

(1) the petition is signed by the required number of registered voters of the county or defined portion of the county;

(2) notice of the hearing was given as required by law; and

(3) the establishment of the proposed district by the consolidation of the county or defined portion of the county with the other counties or defined portions of counties named in the proceedings would be for the benefit of all taxable property in the county or defined portion of the county.

(b) The court shall order the election to be held on the next uniform election date authorized by Subchapter A, Chapter 41, Election Code, that occurs after the 15th day after the date of the order. An election must be held on the same date in each county in the proposed road district.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.107. ELECTION TO ESTABLISH DISTRICT. (a) Notice of an election to establish a road district under this subchapter shall be given in the same manner and for the same time required for notices of the hearing on the petition to establish the district.

(b) The conduct of the election and the canvassing and making the returns is governed by general law when not in conflict with this section.

(c) The officer directed by the commissioners court of each county to administer the election in the county shall make returns of the election to the commissioners court and return all ballot boxes to the clerk of the commissioners court.

(d) The commissioners court of each county or portion of a county in the proposed road district, on receiving the returns of the election, shall canvass the returns and certify the result of the election in the county or defined portion of the county to the county judge of the county in the proposed district with the

greatest population. On receipt of the returns of the election in the different counties or defined portions of counties in the proposed district, the county judge designated to canvass the votes shall canvass the votes and certify the result of the election to each county included in whole or part in the proposed district.

(e) If a majority of the votes received in each county or defined portion of a county favor the consolidation of the counties or portions of counties into a defined road district, the commissioners court of each county or portion of a county shall declare the district established, and the district shall be known as "\_\_\_\_\_ Counties Road District of Texas," listing in alphabetical order each county included in whole or part in the district.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.108. EX OFFICIO DISTRICT DIRECTORS. (a) The following are ex officio directors of a road district established under this subchapter:

(1) for a county that is wholly included in the district, the county judge and each county commissioner; and

(2) for a county only part of which is included in the district, the county judge and the county commissioner of each commissioner precinct included in whole or part in the district.

(b) The ex officio directors have the same power and authority in the management of the affairs of the road district as the commissioners court of a county has in a road district located entirely in the county.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.109. MEETINGS OF COMMISSIONERS OR DIRECTORS. A joint meeting of the commissioners courts or ex officio directors of a road district established under this subchapter may be adjourned from day to day or time to time as the courts consider necessary and advisable.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.110. DISTRICT TREASURER OR DEPOSITORY. (a) At a joint meeting held for that purpose in the county having the greatest population, the commissioners of the counties included in whole or part in a road district established under this subchapter shall select a treasurer or depository for the district. The treasurer or depository must be a bank, banking corporation, or individual banker resident in the district.

(b) The treasurer or depository is governed by the laws and subject to the penalties applicable by law to a depository of county money.

(c) The selected treasurer or depository may not receive any road district money until the treasurer or depository gives a surety bond to the district:

(1) in an amount equal to the amount of district money deposited;

(2) made with a corporate surety authorized to do business in the state; and

(3) conditioned on the safekeeping and paying of the district money.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.111. PURCHASE OF IMPROVED ROADS. (a) A road district established under this subchapter may purchase or take over an improved road previously constructed by a county or by another road district.

(b) A district may purchase or take over a road under Subsection (a) only in the manner provided by Subchapter D, Chapter 1471, Government Code, except that a petition is not required to be filed.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.381, eff. Sept. 1, 2001.

Sec. 257.112. BONDS AND TAX AUTHORIZED. As provided by Section 52, Article III, Texas Constitution, to construct, maintain, and operate macadamized, graveled, or paved roads or turnpikes, or in aid of those activities, two or more adjoining counties or portions of adjoining counties through a road district established under this subchapter may:

(1) issue bonds in any amount not to exceed one-fourth of the taxable value of the real property located in the district;

(2) impose an annual ad valorem tax to pay the interest on the bonds; and

(3) provide a sinking fund for the redemption of the bonds.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.113. ORDER FOR BOND ELECTION. (a) The members of the commissioners courts of the counties included in whole or part in a road district established under this subchapter at a joint meeting held in the county having the greatest population may order an election to authorize bonds for the district.

(b) The members of the commissioners courts shall order the election to be held on a date authorized by Section 41.001, Election Code. Notice of the election shall be given as provided by Chapter 4, Election Code.

(c) At the election, the voters shall be permitted to vote for or against the following proposition:

"Authorizing the \_\_\_\_\_ Counties Road District of Texas to issue the bonds of the district in the total sum of \$\_\_\_\_\_ and to levy annually ad valorem taxes on all taxable property in the district to pay the interest on the bonds and create a sinking fund to redeem the principal at maturity for the purpose of the construction, maintenance, and operation of macadamized, graveled, or paved road and turnpikes or in aid of these purposes within the district.

"The roads to be constructed from the proceeds of the sale of the bonds and the amount apportioned to each road is as follows:

"(Here set out the road or roads as described in the order and notice of the election to determine the establishment of the district and the amount to be expended on each road or roads.)"

(d) If the proposition provides for the road district to purchase or take over improved roads constructed by an included county or another road district included in the road district, the election order must conform to the requirements of Section 1471.081, Government Code.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.382, eff. Sept. 1, 2001.

Sec. 257.114. NOTICE OF BOND ELECTION. (a) A certified copy of an order for an election made under Section 257.113 shall be sent to the county clerk of each county included in whole or part in the road district.

(b) After the clerk receives the certified copy of the election order, the commissioners court of each county at a regular or special session of the court held in the respective counties shall give notice of the proposed bond election to be held on the date provided by the order. The notice must state the time and place at which the election is to be held and state in substance the contents of the order.

(c) All other proceedings relating to the question submitted must be in accordance with the provisions of Chapter 1471, Government Code, that apply to county road bond elections.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.383, eff. Sept. 1, 2001.

Sec. 257.115. DECLARATION OF BOND ELECTION RESULTS. The ex officio directors of a road district established under this subchapter by order shall declare the result of a district bond election and certify the result to the county judge of the county in the road district that has the greatest population.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.116. ORDERS TO ISSUE BONDS AND LEVY TAX. If in a bond election held under this subchapter two-thirds of the votes received in each county or portion of a county included in the road district favor issuing the bonds, the commissioners court of each county or portion of a county, as soon after the declaration of the result of the election as practicable, shall pass the orders necessary to issue the bonds and impose taxes to pay the bonds.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.117. LEVY OF BOND TAX. (a) Each year, the commissioners courts of the counties included in whole or part in a road district established under this subchapter shall determine the amount of the district bond tax to be imposed.

(b) The commissioners court of each county shall impose the portion of the bond tax imposed by the road district in that county at the time and in the manner that other taxes are imposed in the county by the commissioners court of the county. The imposition of the tax is governed by the law governing the imposition of county taxes.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.118. ISSUANCE OF BONDS. (a) Bonds issued by a road district under this subchapter shall be:



(1) issued in the name of the road district;  
(2) signed by the county judge of each county included in whole or part in the district; and  
(3) countersigned by the clerk of each of those counties.

(b) The seal of the commissioners court of each county included in whole or part in the district must be impressed on the bonds.

(c) The bonds must be attested by the treasurer or depository of the district.

(d) As nearly as practicable, the bonds shall be issued in the form used for the issuance of county bonds, except as provided by this section.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.119. SALE OF BONDS. (a) The commissioners courts of the counties included in whole or part in a road district established under this subchapter, at a joint meeting held in the county having the greatest population, shall advertise bonds issued under this subchapter for sale in an advertisement or notice published in a newspaper of general circulation published in the district not later than the 10th day before the date set for the sale.

(b) The commissioners courts shall convene in joint meeting in the county having the greatest population on the date specified for the sale in the notice to consider bids for the purchase of the bonds. The courts may reject any bid.

(c) The commissioners courts shall sell some or all of the bonds at that joint meeting at a price permitted by Chapter 1204, Government Code. The purchase money shall be deposited with the road district's treasurer or depository to the credit of the available road fund of the road district.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.384, eff. Sept. 1, 2001.

Sec. 257.120. BOND PROCEEDS. (a) On the issuance and sale of road district bonds under this subchapter, the commissioners court of each county included in whole or part in the road district may adopt any necessary order setting aside an amount of the proceeds from the sale of the bonds as the ex officio directors of the road district consider necessary to be used for the maintenance, repair, and upkeep of the district's roads.

(b) The necessary expense incident to the issuance of the bonds may be paid out of the proceeds from the sale of the bonds.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.121. APPLICATION OF COUNTY BOND LAWS. Except as otherwise provided by this subchapter, the general laws governing county road bonds authorized under Section 52, Article III, Texas Constitution, apply to the authorization, issuance, approval, certification, registration, sale, and payment of bonds issued under this subchapter.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.122. INTEREST RATE AND MATURITY OF BONDS. Bonds issued under this subchapter shall mature not later than the 40th anniversary of the date of their issuance and shall bear interest at a rate not to exceed that provided by Chapter 1204, Government Code. Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.385, eff. Sept. 1, 2001.

Sec. 257.123. BOND RECORDS. (a) The commissioners court of each county included in whole or part in a road district established under this subchapter shall make a record of the district bonds issued under this subchapter.

(b) The county clerk of each county shall keep the record. The record must show:

- (1) the numbers of the bonds;
- (2) the amount of each bond;
- (3) the interest rate of each bond;
- (4) the date of issue of each bond; and
- (5) when each bond is due and where it is payable.

Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

Sec. 257.124. BOND WARRANTS. (a) The treasurer or depository of a road district established under this subchapter shall pay out the proceeds from the sale of the district's bonds on warrants drawn on the available road fund and issued by the county clerk of the county in the road district having the greatest population. A warrant must be countersigned by the county judge of each district included in whole or part in the road district.

(b) A warrant may be issued only in payment of a certified account approved by the ex officio directors of the district. Acts 1995, 74th Leg., ch. 165, Sec. 1, eff. Sept. 1, 1995.

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 257.901. LAND DEVELOPMENT IN ROAD DISTRICT WITH OUTSTANDING INDEBTEDNESS. (a) In this section:

(1) "Affected area" means the area:  
(A) of an assessment road district; and  
(B) within 1,500 feet of the boundary of an assessment road district.

(2) "Assessment road district" means a road district that has refinanced outstanding bonded indebtedness under Subchapter C, Chapter 1471, Government Code.

(3) "Land development" means any action necessary or customary in connection with the construction of improvements on real property.

(4) "Regulation" means any ordinance, rule, regulation, or application or interpretation of an ordinance, rule, regulation, or application.

(b) After March 9, 1999, a political subdivision shall pay the outstanding bonded indebtedness of an assessment road district if the political subdivision changes regulations regarding land development that apply to more than 20 percent of the land in the assessment road district in a manner that reduces:

(1) the amount of impervious cover, as defined in the regulations; or

(2) the total allowable floor area of a building on developed land.

(c) Subsection (b) does not apply to an affected land owner who agrees in writing to the regulation.

(d) On request of a person who owns land in an affected area, the governing body of an assessment road district by resolution may annex any part of the person's land that is within two miles of the district's boundaries.

(e) After annexation of the land under this section, the governing body of the district shall reapportion the remaining assessment on the owner's land on a per acre basis for all of the owner's land in the district.

(f) Chapter 245, Local Government Code, controls to the extent of any conflict with this section.

(g) This section expires March 10, 2019.

Added by Acts 2001, 77th Leg., ch. 1420, Sec. 19.003(a), eff. Sept. 1, 2001.