BILL ANALYSIS

S.B. 1276 By: Armbrister Natural Resources Committee Report (Amended)

BACKGROUND AND PURPOSE

The Jackson County Flood Control District is a conservation and reclamation district that operates wholly within the boundaries of Jackson County. As proposed, S.B. 1276 renames the Jackson County Flood Control District as the Lavaca-Navidad River Authority and sets forth certain functions of the conservation and reclamation district.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Sections 1(a) and (b), Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as follows:

- (a) Creates in Texas, in addition to the districts into which the state has heretofore been divided, a conservation and reclamation district to be known as the Lavaca-Navidad River Authority, rather than the Jackson County Flood Control District, (the district), and consisting of that part of the State of Texas which is known as and included within the boundaries of Jackson County, Texas (the boundaries of the district being coextensive with the boundaries of Jackson County, Texas, and the district including all of the lands and other property, both real and personal, within the boundaries of said county). Requires such district to be a governmental agency and body politic and corporate, with the powers of government and with the authority to exercise the rights, privileges, and functions hereinafter specified, the creation and establishment of such district being essential to the accomplishment of the purposes of Section 59 of Article XVI, Constitution of Texas, including the control, storing, preservation, and distribution of the storm and flood waters, and the waters of the rivers and streams of Jackson County and their tributaries, inside and outside the boundaries of the district, for domestic, municipal, flood control, irrigation, agricultural, mining and recovery of minerals, hydroelectric power, navigation, recreation and pleasure, public parks, game preserves, and other useful purposes, the development of parks on lands owned or acquired by the district, the reclamation and drainage of the overflow land of Jackson County, the conservation and development of forests, development, generation, distribution, and sale of electric power and energy inside or outside the boundaries of the district, and to aid in the protection and promotion of navigation on the navigable waters by regulating the flood and storm waters that flow into said navigable streams. Authorizes the district, in addition, to discover, develop, and produce groundwater within the boundaries of the Lavaca River Basin for use within that portion of a county located within the boundaries of the Lavaca River Basin where groundwater is discovered, developed, and produced and to coordinate and contract with groundwater conservation districts to engage in conjunctive groundwater and surface water management.
- (b) Requires the management and control of the district to be vested in a board of directors consisting of ninemembers, who must reside within the district and to be freehold property taxpayers and legal voters of the State of Texas. Requires the members of the board of directors to be appointed by the governor with the advice and consent of the senate. Requires each director

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to qualify by taking the official oath of office and filing a good and sufficient bond with the secretary of state in the amount of \$1,000, which shall be payable to the district, conditioned upon the faithful performance of his or her official duties as a director.

SECTION 2. Amends Section 2, Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as follows:

Sec. 2. Requires the district, except as expressly limited by this Act, to have and provides that it is hereby authorized to exercise all powers, rights, privileges and functions which are now, or hereafter maybe, conferred by general or special law upon any district or districts created pursuant to, or operating under, Section 59 of Article XVI, Constitution of Texas. Requires the district, without in any way limiting the generality of the foregoing, and to have and provides that it is hereby authorized to exercise the powers, rights, privileges, and functions described by Section 1 of this Act. Provides that the district, in addition, has certain powers, rights, privileges, and functions.

SECTION 3. Amends Section 3, Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as follows:

Sec. 3. Requires each director to receive fees of office not to exceed \$100 a day for each day the director performs the duties of a director, or as state law otherwise authorizes, plus actual traveling expenses, provided that such compensation and expenses are approved by a vote of the board, and provided further, that no director shall receive more than \$6,000, rather than \$600, per year or as state law otherwise authorizes for such fees of office. Requires each director to file with the general manager, rather than the secretary, a statement showing the amount due him each month or as soon thereafter as practicable, before a check shall be issued therefor. Requires that no director, engineer, officer, or employee of the district, either for himself or as agent for anyone else, benefit directly or indirectly by reason of any sale, purchase, or contract entered into by the district, rather than board.

SECTION 4. Amends Section 6(a), Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as follows:

Sec. 6. (a) Requires the board of directors, for the purpose of providing funds for any of the purposes provided by this Act or any other laws relating to districts created or operating under Section 59 of Article XVI of the Constitution of Texas, to have the power from time to time to issue negotiable bonds for and on behalf of the district, which bonds may be secured by certain methods.

SECTION 5. Amends Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, by adding Section 8A, as follows:

Sec. 8A. Authorizes the board of directors, without an election, to borrow money on negotiable or nonnegotiable notes of the district to be paid solely from the revenues of the district derived from the ownership of all or a designated part of the district's works, plant, improvements, facilities, equipment, or water rights, after deduction of the reasonable cost of maintaining and operating the facilities. Prohibits the district from paying any part of an obligation from taxes levied or collected by the district. Authorizes the board of directors to designate the notes as first lien or subordinate lien notes. Requires an obligation to be a charge on the revenues pledged for the payment of the obligation, not a charge on the property of the district or on the taxes levied or collected by the district.

SECTION 6. Amends Section 9, Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as follows:

Sec. 9. Requires all maintenance tax elections to be called and held as is provided in Section 6(b)

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of this Act relating to elections for bonds payable in whole or in part from taxes, and requires certain language to appear on the ballot in such maintenance tax elections.

SECTION 7. Amends Section 10a, Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as follows:

Sec. 10a. Authorizes the board of directors to contract as provided by Chapter 791, Government Code, with the board of directors of the Jackson County appraisal district for the performance of duties relating to assessment or collection of taxes on behalf of the Lavaca-Navidad River Authority.

SECTION 8. Amends Section 12, Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, to make a conforming change.

SECTION 9. Repealer: Section 1(a), Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, as added by Chapter 417, Acts of the 61st Legislature, Regular Session, 1969; and Sections 11 and 11a, Chapter 186, Acts of the 50th Legislature, Regular Session, 1947.

SECTION 10. Effective date: September 1, 2003.

EFFECTIVE DATE

September 1, 2003

EXPLANATION OF AMENDMENTS

Committee Amendment No. 1 limits the district's authority to generate electric power.

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