

By: Madla

S.B. No. 560

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the notice given to a purchaser of real property within  
3 a water district.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 49.452(b), (c), and (d), Water Code,  
6 are amended to read as follows:

7 (b) The prescribed notice for districts located in whole or  
8 in part in the extraterritorial jurisdiction of one or more  
9 home-rule municipalities and not located within the corporate  
10 boundaries of a municipality shall be executed by the seller and  
11 shall read as follows:

12 "The real property, described below, that you are about to  
13 purchase is located in the \_\_\_\_\_ District. The district is a  
14 governmental agency and a political subdivision of this state. The  
15 district is governed by a board of directors. The district may be  
16 contacted at the following address and telephone number:

17 \_\_\_\_\_(Address)

18 \_\_\_\_\_(Telephone Number)

19 "The district has taxing authority separate from any other  
20 taxing authority and may, subject to voter approval, issue an  
21 unlimited amount of bonds and levy an unlimited rate of tax in  
22 payment of such bonds. As of this date, the rate of taxes levied by  
23 the district on real property located in the district is  
24 \$\_\_\_\_\_ on each \$100 of assessed valuation. If the district has

1 not yet levied taxes, the most recent projected rate of tax, as of  
2 this date, is \$\_\_\_\_\_ on each \$100 of assessed valuation. The  
3 total amount of bonds, excluding refunding bonds and any bonds or  
4 any portion of bonds issued that are payable solely from revenues  
5 received or expected to be received under a contract with a  
6 governmental entity, approved by the voters and which have been or  
7 may, at this date, be issued is \$\_\_\_\_\_, and the aggregate  
8 initial principal amounts of all bonds issued for one or more of the  
9 specified facilities of the district and payable in whole or in part  
10 from property taxes is \$\_\_\_\_\_.

11 "The district has the authority to adopt and impose a standby  
12 fee on property in the district that has water, sanitary sewer, or  
13 drainage facilities and services available but not connected and  
14 which does not have a house, building, or other improvement located  
15 thereon and does not substantially utilize the utility capacity  
16 available to the property. The district may exercise the authority  
17 without holding an election on the matter. As of this date, the  
18 most recent amount of the standby fee is \$\_\_\_\_\_. An unpaid  
19 standby fee is a personal obligation of the person that owned the  
20 property at the time of imposition and is secured by a lien on the  
21 property. Any person may request a certificate from the district  
22 stating the amount, if any, of unpaid standby fees on a tract of  
23 property in the district.

24 "The district is located in whole or in part in the  
25 extraterritorial jurisdiction of the City of \_\_\_\_\_. By law, a  
26 district located in the extraterritorial jurisdiction of a  
27 municipality may be annexed without the consent of the district or

1 the voters of the district. When a district is annexed, the  
2 district is dissolved.

3 "The purpose of this district is to provide water, sewer,  
4 drainage, or flood control facilities and services within the  
5 district through the issuance of bonds payable in whole or in part  
6 from property taxes. The cost of these utility facilities is not  
7 included in the purchase price of your property, and these utility  
8 facilities are owned or to be owned by the district. The legal  
9 description of the property you are acquiring is as follows:

10 -----

11 \_\_\_\_\_(Date)

12 \_\_\_\_\_  
13 Signature of Seller

14 PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM  
15 IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT  
16 ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER  
17 THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE  
18 TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO  
19 CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR  
20 PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

21 "The undersigned purchaser hereby acknowledges receipt of  
22 the foregoing notice at or prior to execution of a binding contract  
23 for the purchase of the real property described in such notice or at  
24 closing of purchase of the real property.

25 -----

26 \_\_\_\_\_(Date)

27 \_\_\_\_\_  
28 Signature of Purchaser

1           "(Note: Correct district name, contact information, tax  
2 rate, bond amounts, and legal description are to be placed in the  
3 appropriate space.) Except for notices included as an addendum or  
4 paragraph of a purchase contract, the notice shall be executed by  
5 the seller and purchaser, as indicated. If the district does not  
6 propose to provide one or more of the specified facilities and  
7 services, the appropriate purpose may be eliminated. If the  
8 district has not yet levied taxes, a statement of the district's  
9 most recent projected rate of tax is to be placed in the appropriate  
10 space. If the district does not have approval from the commission  
11 to adopt and impose a standby fee, the second paragraph of the  
12 notice may be deleted. For the purposes of the notice form required  
13 to be given to the prospective purchaser prior to execution of a  
14 binding contract of sale and purchase, a seller and any agent,  
15 representative, or person acting on the seller's behalf may modify  
16 the notice by substitution of the words 'January 1, \_\_\_' for the  
17 words 'this date' and place the correct calendar year in the  
18 appropriate space."

19           (c) The prescribed notice for districts located in whole or  
20 in part within the corporate boundaries of a municipality shall be  
21 executed by the seller and shall read as follows:

22           "The real property, described below, that you are about to  
23 purchase is located in the \_\_\_\_\_ District. The district is a  
24 governmental agency and a political subdivision of this state. The  
25 district is governed by a board of directors. The district may be  
26 contacted at the following address and telephone number:

27                               (Address)

1                      (Telephone Number)

2         "The district has taxing authority separate from any other  
3 taxing authority and may, subject to voter approval, issue an  
4 unlimited amount of bonds and levy an unlimited rate of tax in  
5 payment of such bonds. As of this date, the rate of taxes levied by  
6 the district on real property located in the district is  
7 \$\_\_\_\_\_ on each \$100 of assessed valuation. If the district has  
8 not yet levied taxes, the most recent projected rate of tax, as of  
9 this date, is \$\_\_\_\_\_ on each \$100 of assessed valuation. The  
10 total amount of bonds, excluding refunding bonds and any bonds or  
11 any portion of bonds issued that are payable solely from revenues  
12 received or expected to be received under a contract with a  
13 governmental entity, approved by the voters and which have been or  
14 may, at this date, be issued is \$\_\_\_\_\_, and the aggregate  
15 initial principal amounts of all bonds issued for one or more of the  
16 specified facilities of the district and payable in whole or in part  
17 from property taxes is \$\_\_\_\_\_.

18         "The district has the authority to adopt and impose a standby  
19 fee on property in the district that has water, sanitary sewer, or  
20 drainage facilities and services available but not connected and  
21 which does not have a house, building, or other improvement located  
22 thereon and does not substantially utilize the utility capacity  
23 available to the property. The district may exercise the authority  
24 without holding an election on the matter. As of this date, the  
25 most recent amount of the standby fee is \$\_\_\_\_\_. An unpaid  
26 standby fee is a personal obligation of the person that owned the  
27 property at the time of imposition and is secured by a lien on the

1 property. Any person may request a certificate from the district  
2 stating the amount, if any, of unpaid standby fees on a tract of  
3 property in the district.

4 "The district is located in whole or in part within the  
5 corporate boundaries of the City of \_\_\_\_\_. The taxpayers of  
6 the district are subject to the taxes imposed by the municipality  
7 and by the district until the district is dissolved. By law, a  
8 district located within the corporate boundaries of a municipality  
9 may be dissolved by municipal ordinance without the consent of the  
10 district or the voters of the district.

11 "The purpose of this district is to provide water, sewer,  
12 drainage, or flood control facilities and services within the  
13 district through the issuance of bonds payable in whole or in part  
14 from property taxes. The cost of these utility facilities is not  
15 included in the purchase price of your property, and these utility  
16 facilities are owned or to be owned by the district. The legal  
17 description of the property you are acquiring is as follows:

18 -----

19 \_\_\_\_\_(Date)

20 \_\_\_\_\_  
21 Signature of Seller

22 PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM  
23 IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT  
24 ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER  
25 THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE  
26 TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO  
27 CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR

1 PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

2 "The undersigned purchaser hereby acknowledges receipt of  
3 the foregoing notice at or prior to execution of a binding contract  
4 for the purchase of the real property described in such notice or at  
5 closing of purchase of the real property.

6 -----

7 \_\_\_\_\_(Date)

8 \_\_\_\_\_  
9 Signature of Purchaser

10 "(Note: Correct district name, contact information, tax  
11 rate, bond amounts, and legal description are to be placed in the  
12 appropriate space.) Except for notices included as an addendum or  
13 paragraph of a purchase contract, the notice shall be executed by  
14 the seller and purchaser, as indicated. If the district does not  
15 propose to provide one or more of the specified facilities and  
16 services, the appropriate purpose may be eliminated. If the  
17 district has not yet levied taxes, a statement of the district's  
18 most recent projected rate of tax is to be placed in the appropriate  
19 space. If the district does not have approval from the commission  
20 to adopt and impose a standby fee, the second paragraph of the  
21 notice may be deleted. For the purposes of the notice form required  
22 to be given to the prospective purchaser prior to execution of a  
23 binding contract of sale and purchase, a seller and any agent,  
24 representative, or person acting on the seller's behalf may modify  
25 the notice by substitution of the words 'January 1, \_\_\_\_\_' for  
26 the words 'this date' and place the correct calendar year in the  
27 appropriate space."

1 (d) The prescribed notice for districts that are not located  
2 in whole or in part within the corporate boundaries of a  
3 municipality or the extraterritorial jurisdiction of one or more  
4 home-rule municipalities shall be executed by the seller and shall  
5 read as follows:

6 "The real property, described below, that you are about to  
7 purchase is located in the \_\_\_\_\_ District. The district is a  
8 governmental agency and a political subdivision of this state. The  
9 district is governed by a board of directors. The district may be  
10 contacted at the following address and telephone number:

11 \_\_\_\_\_(Address)

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14 taxing authority and may, subject to voter approval, issue an  
15 unlimited amount of bonds and levy an unlimited rate of tax in  
16 payment of such bonds. As of this date, the rate of taxes levied by  
17 the district on real property located in the district is  
18 \$\_\_\_\_\_ on each \$100 of assessed valuation. If the district has  
19 not yet levied taxes, the most recent projected rate of tax, as of  
20 this date, is \$\_\_\_\_\_ on each \$100 of assessed valuation. The  
21 total amount of bonds, excluding refunding bonds and any bonds or  
22 any portion of bonds issued that are payable solely from revenues  
23 received or expected to be received under a contract with a  
24 governmental entity, approved by the voters and which have been or  
25 may, at this date, be issued is \$\_\_\_\_\_, and the aggregate  
26 initial principal amounts of all bonds issued for one or more of the  
27 specified facilities of the district and payable in whole or in part



1 from property taxes is \$\_\_\_\_\_.

2 "The district has the authority to adopt and impose a standby  
3 fee on property in the district that has water, sanitary sewer, or  
4 drainage facilities and services available but not connected and  
5 which does not have a house, building, or other improvement located  
6 thereon and does not substantially utilize the utility capacity  
7 available to the property. The district may exercise the authority  
8 without holding an election on the matter. As of this date, the  
9 most recent amount of the standby fee is \$\_\_\_\_\_. An unpaid  
10 standby fee is a personal obligation of the person that owned the  
11 property at the time of imposition and is secured by a lien on the  
12 property. Any person may request a certificate from the district  
13 stating the amount, if any, of unpaid standby fees on a tract of  
14 property in the district.

15 "The purpose of this district is to provide water, sewer,  
16 drainage, or flood control facilities and services within the  
17 district through the issuance of bonds payable in whole or in part  
18 from property taxes. The cost of these utility facilities is not  
19 included in the purchase price of your property, and these utility  
20 facilities are owned or to be owned by the district. The legal  
21 description of the property you are acquiring is as follows:

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23 \_\_\_\_\_(Date)

24 \_\_\_\_\_  
25 Signature of Seller

26 PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM  
27 IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT

1 ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER  
2 THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE  
3 TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO  
4 CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR  
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7 the foregoing notice at or prior to execution of a binding contract  
8 for the purchase of the real property described in such notice or at  
9 closing of purchase of the real property.

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11 \_\_\_\_\_(Date)

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13 Signature of Purchaser

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15 rate, bond amounts, and legal description are to be placed in the  
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19 propose to provide one or more of the specified facilities and  
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26 to be given to the prospective purchaser prior to execution of a  
27 binding contract of sale and purchase, a seller and any agent,

1 representative, or person acting on the seller's behalf may modify  
2 the notice by substitution of the words 'January 1, \_\_\_\_\_' for the  
3 words 'this date' and place the correct calendar year in the  
4 appropriate space."

5 SECTION 2. This Act takes effect September 1, 2003, and  
6 applies only to notice given to a purchaser of real property within  
7 a water district on or after the effective date of this Act. Notice  
8 given to a purchaser before the effective date of this Act is  
9 governed by the law in effect at the time the notice was given, and  
10 the former law is continued in effect for that purpose.