

By: Madla

S.B. No. 772

A BILL TO BE ENTITLED

AN ACT

relating to the conversion of certain special districts into water control and improvement districts or fresh water supply districts.

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

SECTION 1. Section 51.040, Water Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The governing body of a district which desires to convert into a district operating under this chapter shall adopt and enter in the minutes of the governing body a resolution declaring that, in its judgment, conversion into a water control and improvement district operating under this chapter and under Article XVI, Section 59, of the Texas Constitution, would serve the best interest of the district and would be a benefit to the land and property included in the district. The resolution shall contain a list of the powers the district desires to retain after conversion and shall also request:

(1) the commissioners court to hold a hearing on the conversion of the district if the district is located entirely within one county; or

(2) the commission to hold a hearing on the conversion of the district if the district includes land in more than one county.

(c) The district shall file a copy of the resolution with

1 the commissioners court or the commission, as applicable.

2 SECTION 2. Subchapter B, Chapter 51, Water Code, is amended
3 by adding Section 51.0402 to read as follows:

4 Sec. 51.0402. SETTING OF DATE, TIME, AND PLACE OF
5 CONVERSION HEARING. Promptly after the resolution requesting
6 conversion is filed, the commissioners court or the commission, as
7 applicable, or a person authorized by the commissioners court or
8 the commission, as applicable, shall set a date, time, and place for
9 a hearing on the conversion.

10 SECTION 3. Section 51.041(a), Water Code, is amended to
11 read as follows:

12 (a) Notice of the conversion hearing [~~adoption of a~~
13 ~~resolution under Section 51.040 of this code~~] shall be given by
14 publishing notice [~~the resolution~~] in a newspaper with general
15 circulation in the county or counties in which the district is
16 located.

17 SECTION 4. Section 51.042, Water Code, is amended to read as
18 follows:

19 Sec. 51.042. CONVERSION OF DISTRICT; FINDINGS. (a) If, on
20 a hearing, the commissioners court or the commission, as
21 applicable, [~~governing body of the district~~] finds that conversion
22 of the district into one operating under this chapter would serve
23 the best interest of the district and would be a benefit to the land
24 and property included in the district, it shall enter an order
25 making this finding and include in the order a list of the powers to
26 be retained by the district after conversion that the commissioners
27 court or the commission, as applicable, approves. The order shall

1 also provide that conversion is not final unless the voters, in the
 2 election provided by Section 51.0422, confirm the conversion of the
 3 district [~~and the district shall become a district operating under~~
 4 ~~this chapter~~].

5 (b) If the commissioners court or the commission, as
 6 applicable, [governing body] finds that the conversion of the
 7 district would not serve the best interest of the district and would
 8 not be a benefit to the land and property included in the district,
 9 it shall enter an order against conversion of the district into one
 10 operating under this chapter.

11 (c) The findings of the commissioners court or the
 12 commission, as applicable, [governing body of a district] entered
 13 under this section are [~~final and not~~] subject to appeal or review
 14 not later than the 30th day after the date the order approving or
 15 denying the conversion is entered under this section.

16 SECTION 5. Subchapter B, Chapter 51, Water Code, is amended
 17 by adding Section 51.0422 to read as follows:

18 Sec. 51.0422. CONVERSION ELECTION. (a) If the
 19 commissioners court or the commission, as applicable, finds in
 20 favor of the conversion of the district, the governing body of the
 21 district shall order an election to be held in the district to
 22 confirm the conversion of the district.

23 (b) A conversion election may be held on the same day as any
 24 other district election.

25 (c) Notice of a conversion election shall state the day and
 26 each place for holding the election and the proposition to be voted
 27 on.

1 (d) The ballots for a conversion election shall be printed
2 to provide for voting for or against the proposition: "The
3 conversion of the _____ (name of the district) into a district
4 operating as a water control and improvement district."

5 (e) Immediately after the conversion election, the
6 presiding judge of each polling place shall deliver the returns of
7 the election to the governing body of the district. The governing
8 body shall canvass the returns and declare the results at the
9 earliest practicable time.

10 (f) If a majority of the votes cast in the election favor the
11 conversion of the district, the governing body of the district
12 shall declare that the district is converted into a district
13 operating under this chapter and enter the results in its minutes.
14 If a majority of the votes cast in the election are against the
15 conversion of the district, the governing body of the district
16 shall declare that the conversion of the district was defeated and
17 enter the results in its minutes.

18 (g) The governing body of the district shall file a copy of
19 the order canvassing the results of the conversion election:

20 (1) with the commissioners court or the commission, as
21 applicable; and

22 (2) if the voters confirm the conversion of the
23 district, in the deed records of each county in which the district
24 is located.

25 SECTION 6. Sections 51.044(a) and (b), Water Code, are
26 amended to read as follows:

27 (a) As provided by Subsection (b), any ~~[Any]~~ water

improvement district, water control and preservation district, fresh water supply district, levee improvement district, drainage district, or navigation district, after an election [~~conversion~~] under Section 51.0422 confirming the conversion of the district [~~51.040 of this code~~], may continue to exercise all necessary specific powers under any specific conditions provided by the chapter of this code under which the district was operating before conversion.

(b) At the time of making the order of conversion, the commissioners court or the commission, as applicable, [~~governing body~~] shall specify in the order the specific provisions of the chapter of the code under which the district had been operating that have been approved and [~~which~~] are to be preserved and made applicable to the operations of the district after conversion into a district operating under this chapter.

SECTION 7. Chapter 53, Water Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. CONVERSION OF DISTRICTS

Sec. 53.231. CONVERSION OF CERTAIN DISTRICTS INTO DISTRICTS OPERATING UNDER THIS CHAPTER. (a) Any water control and improvement district created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, may be converted to a district operating under this chapter.

(b) The governing body of a district that desires to convert into a district operating under this chapter shall adopt and enter in the minutes of the governing body a resolution declaring that, in its judgment, conversion into a fresh water supply district

1 operating under this chapter and under Section 59, Article XVI,
2 Texas Constitution, would serve the best interest of the district
3 and would be a benefit to the land and property included in the
4 district. The resolution shall also request:

5 (1) the commissioners court to hold a hearing on the
6 conversion of the district if the district is located entirely
7 within one county; or

8 (2) the commission to hold a hearing on the conversion
9 of the district if the district includes land in more than one
10 county.

11 (c) The district shall file a copy of the resolution with
12 the commissioners court or the commission, as applicable.

13 Sec. 53.232. SETTING OF DATE, TIME, AND PLACE OF CONVERSION
14 HEARING. Promptly after the resolution requesting conversion is
15 filed, the commissioners court or the commission, as applicable, or
16 a person authorized by the commissioners court or the commission,
17 as applicable, shall set a date, time, and place for a hearing on
18 the conversion.

19 Sec. 53.233. CONVERSION OF DISTRICT; NOTICE. (a) Notice of
20 the conversion hearing shall be given by publishing notice in a
21 newspaper with general circulation in the county or counties in
22 which the district is located.

23 (b) The notice shall be published once a week for two
24 consecutive weeks with the first publication not less than 14 full
25 days before the time set for a hearing.

26 (c) The notice shall:

27 (1) state the time and place of the hearing;

1 (2) set out the resolution in full; and

2 (3) notify all interested persons to appear and offer
3 testimony for or against the proposal contained in the resolution.

4 Sec. 53.234. CONVERSION OF DISTRICT; FINDINGS. (a) If, on
5 a hearing, the commissioners court or the commission, as
6 applicable, finds that conversion of the district into one
7 operating under this chapter would serve the best interest of the
8 district and would be a benefit to the land and property included in
9 the district, it shall enter an order making this finding but
10 providing that conversion is not final unless the voters, in the
11 election provided by Section 53.235, confirm the conversion of the
12 district.

13 (b) If the commissioners court or the commission, as
14 applicable, finds that the conversion of the district would not
15 serve the best interest of the district and would not be a benefit
16 to the land and property included in the district, it shall enter an
17 order against conversion of the district into one operating under
18 this chapter.

19 (c) The findings of the commissioners court or the
20 commission, as applicable, entered under this section are subject
21 to appeal or review not later than the 30th day after the date the
22 order approving or denying the conversion is entered under this
23 section.

24 Sec. 53.235. CONVERSION ELECTION. (a) If the
25 commissioners court or the commission, as applicable, finds in
26 favor of the conversion of the district, the governing body of the
27 district shall order an election to be held in the district to

1 confirm the conversion of the district.

2 (b) A conversion election may be held on the same day as any
3 other district election.

4 (c) Notice of a conversion election shall state the day and
5 each place for holding the election and the proposition to be voted
6 on.

7 (d) The ballots for a conversion election shall be printed
8 to provide for voting for or against the proposition: "The
9 conversion of the _____ (name of the district) into a district
10 operating as a fresh water supply district."

11 (e) Immediately after the conversion election, the
12 presiding judge of each polling place shall deliver the returns of
13 the election to the governing body of the district. The governing
14 body shall canvass the returns and declare the results at the
15 earliest practicable time.

16 (f) If a majority of the votes cast in the election favor the
17 conversion of the district, the governing body of the district
18 shall declare that the district is converted into a district
19 operating under this chapter and enter the results in its minutes.
20 If a majority of the votes cast in the election are against the
21 conversion of the district, the governing body of the district
22 shall declare that the conversion of the district was defeated and
23 enter the results in its minutes.

24 (g) The governing body of the district shall file a copy of
25 the order canvassing the results of the conversion election:

26 (1) with the commissioners court or the commission, as
27 applicable; and

1 (2) if the voters confirm the conversion of the
2 district, in the deed records of each county in which the district
3 is located.

4 Sec. 53.236. EFFECT OF CONVERSION. A district that
5 converts into a district operating under this chapter shall:

6 (1) be constituted a fresh water supply district
7 operating under and governed by this chapter;

8 (2) be a conservation and reclamation district under
9 Section 59, Article XVI, Texas Constitution; and

10 (3) have and may exercise all the powers, authority,
11 functions, and privileges provided in this chapter in the same
12 manner and to the same extent as if the district had been created
13 under this chapter.

14 SECTION 8. Section 51.045, Water Code, is repealed.

15 SECTION 9. This Act takes effect September 1, 2003, and
16 applies only to the conversion of a district to one operating as a
17 water control and improvement district or a fresh water supply
18 district for which the governing body of the district adopts a
19 resolution on or after the effective date of this Act proposing
20 conversion of the district. If, before the effective date of this
21 Act, the governing body of a district adopts a resolution proposing
22 conversion of the district to one operating as a water control and
23 improvement district or a fresh water supply district, the
24 conversion of the district is governed by the law as it existed
25 immediately before the effective date of this Act, and that law is
26 continued in effect for that purpose.