

## BILL ANALYSIS

C.S.H.B. 3423  
By: Morrison  
Natural Resources  
Committee Report (Substituted)

### BACKGROUND AND PURPOSE

Texas faces a difficult challenge to develop water policies that serve state and regional interests. The Texas Constitution authorizes the creation of groundwater conservation districts to plan, develop, and regulate the use of water. C.S.H.B. 3423 creates the Victoria Country Groundwater Conservation District, subject to approval at a confirmation election, to manage groundwater resources in Victoria County.

### 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:**

Sec. 8812.001. DEFINITIONS. Defines "board," "director," and "district."

Sec. 8812.002. NATURE OF DISTRICT. Provides that the Victoria County Groundwater Conservation District (district) is a groundwater conservation district in Victoria County.

Sec. 8812.003. CONFIRMATION ELECTION REQUIRED. Provides that if the creation of the district is not confirmed at a confirmation election held before September 1, 2010, the district is dissolved on September 1, 2010, with certain exceptions, and this chapter expires on September 1, 2013.

Sec. 8812.004. INITIAL DISTRICT TERRITORY. Provides that the initial boundaries of the district are coextensive with the boundaries of Victoria County, Texas.

Sec. 8812.005. APPLICABILITY OF OTHER GROUNDWATER CONSERVATION DISTRICT LAW. Provides that, except as otherwise provided by this chapter, Chapter 36, Water Code, applies to the district.

[Reserves Sections 8812.006-8812.020 for expansion.]

#### **SUBCHAPTER A-1. TEMPORARY PROVISIONS**

Sec. 8812.021. APPOINTMENT OF TEMPORARY DIRECTORS. (a) Requires five temporary directors to be appointed to the board of directors of the district not later than the 10th day after September 1, 2005. Sets forth which entities or officials are required to appoint directors, and specifies from which regions the directors must be chosen.

(b) Sets forth the procedure for filling a vacancy on the temporary board of directors.

(c) Sets forth the end of the temporary directors' terms.

Sec. 8812.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS. Requires a majority of the temporary directors, as soon as practicable after all the

temporary directors have qualified under Section 36.055 (Sworn Statement, Bond, and Oath of Office), Water Code, to convene the organizational meeting of the district, and sets forth the criteria for choosing a location for said meeting.

Sec. 8812.023. CONFIRMATION ELECTION. (a) Requires the temporary directors to hold an election to confirm the creation of the district.

(b) Provides that Section 41.001(a) (setting forth the uniform dates of the general or special elections), Election Code, does not apply to a confirmation election held as provided by this section.

(c) Requires the ballot for the election to be printed to provide for voting for or against the proposition: the creation of the district and the imposition of a ad valorem tax at a rate not to exceed two cents for each \$100 of assessed valuation.

(d) Provides that the temporary board include any other necessary propositions.

(e) Requires the election to be conducted in accordance with certain provisions of the Water Code and the Election Code. Provides that Section 36.017(d) (setting forth the form and content of the ballot), Water Code, does not apply to a confirmation election under this section.

(f) Authorizes the temporary directors, if a majority of the votes cast at the election are not in favor of the creation of the district, to hold a subsequent confirmation election and sets forth at what date the election may be held.

Sec. 8812.024. INITIAL DIRECTORS. (a) Provides that, if the creation of the district is confirmed at the confirmation election, the temporary directors of the district become the initial directors of the district and serve on the board until permanent directors are elected.

(b) Sets forth the expiration dates of the respective terms of the initial directors.

Sec. 8812.025. INITIAL ELECTION OF PERMANENT DIRECTORS. Sets forth the date of the first election of two permanent directors to replace two initial directors.

Sec. 8812.026. EXPIRATION OF SUBCHAPTER. Provides that this subchapter expires September 1, 2013.

[Reserves Sections 8812.027-8812.050 for expansion.]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8812.051. DIRECTORS; TERMS. (a) Provides that the district is governed by a board of five directors.

(b) Sets forth the schedule for directors to serve staggered four-year terms.

Sec. 8812.052. METHOD OF ELECTING DIRECTORS: COMMISSIONERS PRECINCTS. (a) Requires the directors of the district to be elected according to the commissioners precinct method as provided by this section.

(b) Requires one director to be elected by the voters of the entire district, and one director to be elected from each county commissioners precinct by the voters of that precinct.

(c) Sets forth the eligibility requirements for candidacy for or to serve as director at large and the requirements to be eligible to be a candidate for or to serve as a director from a county commissioners precinct. Creates an exception, as provided by Subsection (e), to these requirements.

(d) Requires the person to indicate on the application for a place on the ballot either the precinct that the person seeks to represent or that the person seeks to represent the district at large.

(e) Provides that a director already in office when the boundaries of the county commissioners precinct are redrawn after a census remains in office in the precinct to which elected or appointed the director, even if the director's residence no longer falls within the boundaries.

Sec. 8812.053. ELECTION DATE. Requires the district to hold an election to elect the appropriate number of directors on the uniform election date in November of each even-numbered year.

Sec. 8812.054. VACANCIES. A vacancy on the board shall be filled by appointment until the next regularly scheduled directors' election. The appointed person shall only serve for the remainder of the unexpired term.

[Reserves Sections 8812.055-8812.100 for expansion.]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8812.101. PROHIBITION ON DISTRICT USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain.

[Reserves Sections 8812.102-8812.150 for expansion]

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8812.151. LIMITATION ON TAXES. The district may not impose an ad valorem tax at a rate that exceeds two cents for each \$100 of assessed valuation of taxable property in the district.

**SECTION 2:** Chapter 1332, Acts of the 77th Legislature, Regular Session, 2001, is repealed.

**SECTION 3:** Provides that all requirements of the constitution, state laws, and rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

#### **EFFECTIVE DATE**

This Act takes effect September 1, 2005.

#### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

C.S.H.B. 3423 is significantly edited and reformatted to conform to Legislative Council drafting guidelines and provides specific enabling act language regarding temporary directors, confirmation election, initial directors, method of electing permanent directors, finance, and the general powers and duties of a groundwater district.