

## BILL ANALYSIS

Senate Research Center

C.S.S.B. 1891  
By: Armbrister  
Natural Resources  
5/11/2005  
Committee Report (Substituted)

### AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

C.S.S.B. 1891 creates the La Salle Water Control and Improvement District No. 1 in Calhoun County. The district has the authority to impose a tax and issue bonds, and has the power of eminent domain.

### RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle I, Title 6, Special District Local Laws Code, by adding Chapter 9008, as follows:

#### CHAPTER 9008. LA SALLE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9008.001. DEFINITIONS. Defines "board," "director," and "district."

Sec. 9008.002. NATURE OF DISTRICT. Provides that the La Salle Water Control and Improvement District No. 1 (district) is a water control and improvement district in Calhoun County created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 9008.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) Provides that the district is created to serve a public use and bene fit.

(b) Provides that all of the land and other property included within the boundaries of the district will be benefited by the works and projects that are to be accomplished by the district under powers conferred by Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 9008.004. CONFIRMATION ELECTION REQUIRED. Provides that if the creation of the district is not confirmed at a confirmation election held under Section 9008.023 before September 1, 2007, the district is dissolved on that date with certain exceptions, and this chapter expires September 1, 2010.

Sec. 9008.005. INITIAL DISTRICT TERRITORY. (a) Provides that the district is initially composed of the territory described by Section 2 of the Act creating this chapter.

(b) Provides that the boundaries and field notes contained in Section 2 of the Act creating this chapter form a closure. Provides that a mistake in the field notes or in copying the field notes in the legislative process does not affect specific aspects of the district.

Sec. 9008.006. APPLICABILITY OF OTHER LAW. Provides that except as otherwise provided by this chapter, Chapters 49 (Provisions Applicable to All Districts) and 51 (Water Control and Improvement Districts), Water Code, apply to the district.

[Reserves Sections 9008.007-9008.020 for expansion.]

#### SUBCHAPTER A1. TEMPORARY PROVISIONS

Sec. 9008.021. **TEMPORARY DIRECTORS.** Sets forth members of the temporary board. Requires the Texas Commission on Environmental Quality (TCEQ) to appoint a person to fill the vacancy if a temporary director fails to qualify for office. Sets forth terms for temporary directors.

Sec. 9008.022. **CONSENT OF MUNICIPALITY OR COUNTY REQUIRED.** (a) Prohibits the temporary directors from holding an election under Section 9008.023 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located, has adopted a resolution consenting to the creation of the district.

(b) Prohibits the temporary directors from holding the election until each county in which the district is located has adopted a resolution consenting to the creation of the district, if the district is located outside the extraterritorial jurisdiction of a municipality.

(c) Prohibits a municipality or county from adopting a resolution under this section before the effective date of the Act creating this chapter.

Sec. 9008.023. **CONFIRMATION AND INITIAL DIRECTORS' ELECTION.** Requires the temporary directors to hold an election before September 1, 2007, to confirm the creation of the district and to elect five directors as provided by Section 49.102 (Confirmation and Director Election), Water Code, if each municipality or county has consented to the creation of the district under Section 9008.022.

Sec. 9008.024. **ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS.** Requires the temporary directors to meet and elect officers from their membership as soon as practicable after all the temporary directors have qualified under Section 49.055 (Sworn Statement, Bond, and Oath of Office), Water Code.

Sec. 9008.025. **INITIAL ELECTED DIRECTORS; TERMS.** Requires the directors elected under Section 9008.023 to draw lots to determine which two shall serve until the first regularly scheduled election of directors under Section 9008.052 and which three shall serve until the second regularly scheduled election of directors.

Sec. 9008.026. **EXPIRATION OF SUBCHAPTER.** Provides that this subchapter expires September 1, 2010.

[Reserves Sections 9008.027-9008.050 for expansion.]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 9008.051. **BOARD OF DIRECTORS.** Provides that the district is governed by a board of five directors who serve staggered four-year terms.

Sec. 9008.052. **ELECTION OF DIRECTORS.** Requires the appropriate number of directors to be elected on the uniform election date in May of each even-numbered year.

[Reserves Sections 9008.053-9008.100 for expansion.]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 9008.101. **GENERAL POWERS.** (a) Sets forth the rights, authority, privileges, functions, and duties of the district.

(b) Authorizes the district to provide water, sanitary sewer, drainage, and, subject to Section 9008.105, road services to each part of the district not receiving those services on the effective date of the Act creating this chapter.

Sec. 9008.102. **AUTHORITY TO CONTRACT WITH OWNERS OF REAL PROPERTY IN DISTRICT.** Authorizes the district to enter into a contract with an owner of real property in the district for specific purposes described by Section 9008.101(b).

Sec. 9008.103. **LIMITATION ON USE OF EMINENT DOMAIN.** Authorizes the district to exercise the power of eminent domain outside the district only to acquire an easement necessary for a pipeline that serves the district.

Sec. 9008.104. **DIVISION OF DISTRICT.** Authorizes the district to divide into two or more districts in the manner specified by Section 53.029(b), Water Code. Provides that Section 53.029(a), Water Code, does not apply to the district.

Sec. 9008.105. **VOTER-APPROVED ROAD DISTRICT POWERS.** (a) Requires the district to assume the rights, authority, privileges, and functions of a road district as described by Section 9008.101(a)(2), if a majority of the voters of the district vote in favor of the district's assumption of road district powers in the manner provided by Sections 53.029(c), (d), and (e), Water Code, at an election held for that purpose.

(b) Authorizes the district to provide for, or provide aid for, the construction, acquisition, financing, maintenance, and operation of macadamized, graveled, or paved roads, if the voters approve road district powers under Subsection (a).

(c) Provides that Section 49.182 (Commission Supervision of Projects and Improvements), Water Code, does not apply to a project undertaken by the district under this section.

Sec. 9008.106. **ROAD PROJECTS.** (a) Authorizes the district to perform certain functions in aid of roads inside the district, to the extent authorized by Section 52, Article III, Texas Constitution.

(b) Requires the road project to meet or exceed all applicable standards, requirements, and ordinances of each municipality in whose corporate limits or extraterritorial jurisdiction the district is located and for those districts located outside the extraterritorial jurisdiction of the municipality.

(c) Prohibits the district from undertaking a road project unless each municipality in whose corporate limits or extraterritorial jurisdiction the district is located consents by ordinance or resolution. Prohibits the district from undertaking a road project unless the county in which the district is located consents by ordinance or resolution, if the district is located outside the extraterritorial jurisdiction of a municipality.

[Reserves Sections 9008.107-9008.150 for expansion.]

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 9008.151. **AD VALOREM PLAN OF TAXATION.** Requires the district to use the ad valorem plan of taxation, subject to voter approval at an election held in the district for that purpose.

Sec. 9008.152. **AD VALOREM TAX FOR ROAD PROJECTS.** Authorizes the district to impose an ad valorem tax to pay the principal of or interest on bonds issued under Section 9008.201(b) to finance projects under Section 9008.105.

[Reserves Sections 9008.153-9008.200 for expansion.]

## SUBCHAPTER E. BONDS

Sec. 9008.201. **AUTHORITY TO ISSUE BONDS.** (a) Authorizes the district to issue bonds as provided by Chapter 49 or 51, Water Code, or Sections 53.029(c), (d), and (e), Water Code, the general laws of this state, or this section.

(b) Authorizes the district to issue bonds, notes, or other obligations as provided by Sections 53.029(c), (d), and (e), Water Code, to finance, or assist the financing of, projects under Section 9008.105, except as provided by Subsection (c) and Section 9008.202.

(c) Prohibits a district from issuing bonds under Subsection (b) unless the issuance is authorized by two-thirds of the district's voters voting at an election called for that purpose.

(d) Provides that Section 49.181 (Authority of Commission Over Issuance of District Bonds), Water Code, does not apply to a bond issued by the district under Sections 53.029(c), (d), and (e), Water Code.

Sec. 9008.202. **LIMIT ON BONDS AND OTHER OBLIGATIONS.** Prohibits bonds, notes, or other obligations issued or incurred by the district under Sections 53.029(c), (d), and (e), Water Code, from exceeding one-fourth of the assessed value of the real property in the district.

Sec. 9008.203. **USE OF BOND PROCEEDS.** Authorizes the district to use proceeds from the sale of bonds to acquire specific improvements or facilities.

SECTION 2. Sets forth the initial boundaries of the district.

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

SECTION 4. Effective date: upon passage or September 1, 2005.