

By: Gattis

H.B. No. 2722

A BILL TO BE ENTITLED

AN ACT

relating to the procedure for creating certain groundwater conservation districts.

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

SECTION 1. Section 36.0151(a), Water Code, is amended to read as follows:

(a) If the commission is required to create a district under Section 35.012(b), it shall, without an evidentiary hearing, issue an order creating the district and shall provide in its order that temporary directors be appointed under Section 36.016 and that an election be called by the temporary directors to confirm creation of the district, authorize the district to assess taxes, and ~~to~~ elect permanent directors.

SECTION 2. The heading to Section 36.0171, Water Code, is amended to read as follows:

Sec. 36.0171. CONFIRMATION, TAX AUTHORITY, AND DIRECTORS' ELECTION FOR DISTRICT IN A PRIORITY GROUNDWATER MANAGEMENT AREA.

SECTION 3. Section 36.0171, Water Code, is amended by amending Subsections (a), (d), (e), (f), (g), and (h) and by adding Subsections (e-1), (e-2), and (e-3) to read as follows:

(a) For a district created under Section 36.0151, not later than the 120th day after the date all temporary directors have been appointed and have qualified, the temporary directors shall meet and order an election to be held within the boundaries of the

1 proposed district to confirm the creation of the district,
2 authorize the district to assess taxes, and ~~[to]~~ elect permanent
3 directors.

4 (d) The ballot for the election must be printed to provide
5 for voting for or against the propositions ~~[proposition]~~: "The
6 creation of the _____ (district name) Groundwater Conservation
7 District." and "The levy of a maintenance tax by the
8 _____ Groundwater Conservation District at a rate
9 not to exceed _____ cents for each \$100 of assessed valuation."
10 The same ballot or another ballot must provide for the election of
11 permanent directors, in accordance with Section 36.059.

12 (e) Immediately after the election, the presiding judge of
13 each polling place shall deliver the returns of the election to the
14 temporary board, and the board shall canvass the returns and~~[7]~~
15 declare the result~~[, and turn over the operations of the district to~~
16 ~~the elected permanent directors]~~. The board shall file a copy of
17 the election result with the commission.

18 (e-1) If a majority of the votes cast at the election favor
19 the creation of the district, the temporary board shall declare the
20 district created, enter the result in its minutes, and turn over the
21 operations of the district to the elected permanent directors.

22 (e-2) If a majority of the votes cast at the election are not
23 in favor of the creation of the district, the temporary board shall
24 declare the district defeated, enter the result in its minutes, and
25 continue operations in accordance with Subsection (e-3).

26 (e-3) If the creation of the district is not confirmed, the
27 district is dissolved, except that:

1 (1) any debts incurred shall be paid;

2 (2) any assets that remain after the payment of debts
3 shall be transferred to the county or counties in which the district
4 is located; and

5 (3) the organization of the district shall be
6 maintained until all debts are paid and remaining assets are
7 transferred.

8 (f) If the creation of the district is confirmed, and if a
9 majority of the votes cast at the election favor the levy of a
10 maintenance tax, the temporary board shall declare the levy
11 approved and shall enter the result in its minutes.

12 (g) If the creation of the district is confirmed, and if a
13 majority of the votes cast at the election are against the levy of a
14 maintenance tax, the temporary board shall declare the levy
15 defeated and shall enter the result in its minutes.

16 (h) If the creation of the district is confirmed, and if the
17 majority of the votes cast at the election are against the levy of a
18 maintenance tax, the district shall set permit fees to pay for the
19 district's regulation of groundwater in the district, including
20 fees based on the amount of water to be withdrawn from a well.

21 SECTION 4. Sections 36.0151 and 36.0171, Water Code, as
22 amended by this Act, apply only to a groundwater conservation
23 district created by the Texas Commission on Environmental Quality
24 on or after the effective date of this Act. A district created by
25 the Texas Commission on Environmental Quality before the effective
26 date of this Act is governed by the law in effect on the date the
27 district was created, and that law is continued in effect for that

1 purpose.

2 SECTION 5. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2005.